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Electronic News Financial Fact Book & Directory

1981

20th Annual Edition

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New York, N.Y.

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LEADERS IN THE ELECTRONICS INDUSTRY - 1981

	Electronic Sales	% of Gross Sales in Electronics	+Gross Sales in Latest Available Four Quarters
IBM Corp.	$21,540,000,000	80	$26,926,000,000
Western Electric Co.	9,706,692,000	73.8	13,152,700,000
ITT Corp.	7,152,000,000	32	22,653,000,000
Sperry Corp.	3,840,800,000	71	5,427,178,000
General Electric Co.	3,774,900,000	15*	25,266,000,000
Honeywell, Inc.	3,753,000,000	75*	5,004,000,000
Texas Instruments, Inc.	3,470,443,000	83	4,181,257,000
RCA Corp.	3,355,546,400	42	7,989,200,000
Hewlett-Packard Co.	3,323,000,000	100	3,323,000,000
Motorola, Inc.	3,156,268,000	100	3,156,268,000
Control Data Corp.	2,885,100,000	74	3,902,500,000
NCR Corp.	2,814,139,680	84	3,389,452,000
Westinghouse Electric Corp.	2,800,000,000	33	8,700,000,000
Litton Industries, Inc.	2,576,313,000	56.9	4,525,721,000
Hughes Aircraft Co.	2,574,000,000	99	2,600,000,000
Raytheon Co.	2,467,000,000	48	5,113,000,000
Digital Equipment Corp.	2,207,047,000	75	2,959,430,000
N.A. Philips Corp.	2,167,743,000	78	2,772,921,000
Schlumberger Ltd.	2,147,000,000	44	5,137,115,000
TRW, Inc.	1,847,368,200	36	5,117,970,000
Burroughs Corp.	1,820,982,370	61	2,985,217,000
GTE Corp.	1,764,845,000	17.3	10,171,643,000
Rockwell International Corp.	1,733,000,000	25	6,989,000,000
General Motors Corp.	1,732,191,000	3	57,739,700,000
Xerox Corp.	1,510,470,000	18*	8,391,500,000
Bendix Corp.	1,490,275,200	34.8*	4,282,400,000
Northern Telecom Ltd.	1,465,273,700	82	1,786,919,400
Zenith Radio Corp.	1,213,000,000	100	1,213,000,000
Gould, Inc.	1,198,500,000	54.4	2,199,900,000
General Signal Corp.	1,184,803,500	75	1,579,738,000
National Semiconductor Corp.	1,110,053,000	100	1,110,053,000
Harris Corp.	1,058,000,000	70	1,511,000,000
Tektronix, Inc.	1,048,009,000	100	1,048,009,000
Avnet, Inc.	893,000,000	68	1,304,000,000
Intel Corp.	835,307,000	100	835,307,000
Perkin-Elmer Corp.	825,120,000	75	1,100,163,000
General Instrument Corp.	825,074,000	100	825,074,000
Memorex Corp.	775,126,000	100	775,126,000
AMP, Inc.	764,408,000	65	1,176,012,000
Ford Motor Co.	735,722,800	2*	36,786,000,000
Eaton Corp.	696,379,000	22	3,113,078,000
Data General Corp.	688,167,000	100	688,167,000
Storage Technology Corp.	660,616,000	100	660,616,000
Teledyne, Inc.	659,519,080	22	2,997,814,000
Varian Associates	657,000,000	100	657,000,000
Beckman Instruments, Inc.	601,724,000	100	601,724,000
The Signal Cos., Inc.	597,000,000	12.4	4,822,000,000
Corning Glass Works	523,243,230	33.3*	1,571,301,000
GK Technologies, Inc. **	454,200,700	38	1,195,265,000
Bunker Ramo Corp. †	412,276,000	88	467,559,000
Amdahl Corp.	401,321,000	100	401,321,000

* Estimated by *Electronic News.*

** Acquired by Penn Central Corp.

+ Based on latest available figures as gathered by *Electronic News.*

† Acquisition by Allied Corp. is pending.

(Reprinted from *Electronic News* – July 20, 1981)

LOOKING AT THE LEADERS 1981

	STOCK PRICES		%	STOCK PRICES EARNINGS PER SHARE (A)		P/E RATIO (B)		EPS(C)		SALES (Millions)	
	5-31-81	5-31-80	CHG.	1981	1980	1981	1980	PRO-JECTED 1981	ACTUAL 1980	PRO-JECTED 1981	ACTUAL 1980
Amdahl	43 7/8	19 7/8	+120.7	1.04	.27	29	33	$1.50	$ .80	$ 450	$ 401
AMP, Inc.	58 5/8	39 5/8	+ 47.9	3.54	3.54	15	11	3.80	3.65	1,300	1,176
Avnet	59 1/4	26 3/4	+121.5	4.52	4.55	13	6	4.52	4.57	1,450	1,304
Beckman	37 3/8	27 1/8	+ 37.2	1.79	1.82	20	15	1.85	1.83	650	601
Bendix	60 5/8	43 1/8	+ 40.6	7.37	7.45	8	6	7.68	7.50	4,650	4,282
Bunker Ramo*(Allied)	53 1/2	26 1/2	+101.9	3.97	3.73	12	7	NA	‡17.30	500	467
Burroughs	42 3/8	67 1/2	– 37.2	4.40	7.58	8	8	5.10	5.02	3,250	2,985
Control Data	81 3/4	53 3/4	+ 52.1	8.49	7.36	9	7	9.15	8.29	4,250	3,902
Corning	71	50 1/2	+ 40.6	4.92	6.62	11	8	6.25	5.17	1,700	1,571
Data General	64 1/4	59	+ 8.9	4.48	4.84	18	12	3.75	5.20	750	688
Digital Equipment	111 1/4	65 1/2	+ 69.8	6.27	5.08	18	12	6.35	5.45	3,250	2,959
Eaton	35	25 1/8	+ 39.3	2.55	5.64	7	5	5.00	4.35	3,400	3,113
Ford	23	24 1/2	– 6.1	d15.79	2.67	NA	NA	d 4.50	d13.59	38,000	36,786
GK Technologies** (Penncentral)	50	26 1/8	+ 91.4	5.33	5.43	9	5	5.33	4.75	1,300	1,195
General Electric	65 3/4	49 1/2	+ 32.8	6.72	6.37	9	8	7.15	6.65	27,450	25,166
General Instrument	124 3/4	47 1/8	+164.7	7.46	5.90	16	7	7.90	7.46	900	825
General Motors	55 5/8	44 3/4	+ 24.3	d 2.54	.52	12	45	4.50	d 2.65	59,000	57,739
General Signal	48 1/4	34 5/8	+ 39.4	4.11	4.11	10	9	4.75	4.01	1,750	1,579
GTE	29 1/2	26 1/4	+ 12.4	3.90	4.18	7	8	4.30	3.86	11,100	10,171
Gould	25 3/4	21	+ 22.6	1.87	3.82	9	8	2.75	2.10	2,350	2,199
Harris	50 3/4	31 1/2	+ 61.1	2.92	2.70	17	12	3.00	2.63	1,650	1,511
Hewlett-Packard	106	81 1/4	+ 73.1	4.73	3.82	20	15	5.25	4.47	3,600	3,323
Honeywell	91 1/4	78 5/8	+ 19.1	12.83	10.36	8	7	12.00	12.57	5,450	5,004
Hughes Aircraft				PRIVATELY OWNED						2,850	2,600
IBM	58 3/4	55 3/8	+ 6.1	5.80	5.19	9	10	6.40	5.72	29,350	26,926
Intel	41	34 S	+ 20.6	1.71	1.98	33	16	1.25	2.21	900	835
ITT	31 5/8	28	+ 12.9	4.53	5.80	6	5	5.60	5.50	24,700	22,653
Litton	71 1/4	52 1/8	+ 36.7	7.15	6.33	9	7	7.60	6.91	4,950	4,525
Memorex	12 3/8	12	+ 3.1	d 5.61	2.49	NA	5	d 5.50	d 4.42	850	775
Motorola	86	47 3/8	+ 81.5	5.98	5.40	14	9	6.20	5.89	3,450	3,156
National Semicon	34 1/2	22 3/4	+ 51.6	2.67	2.24	16	9	2.20	2.58	1,200	1,110
NCR	68 1/8	60 3/8	+ 13.5	9.57	8.61	7	7	10.00	9.51	3,700	3,389
North American Philips	57	27	+111.1	5.65	6.36	10	4	5.75	5.77	3,050	2,772
Northern Telecom	44 1/2	34 3/4	+ 28.1	d .67	3.58	20	8	2.25	d .67	1,900	1,786
Perkin-Elmer	31	20 7/8 S	+ 48.5	1.76	1.58	17	12	1.85	1.67	1,200	1,100
Raytheon	104 7/8	72 1/8	+ 45.4	6.98	6.56	13	11	7.80	6.80	5,600	5,113
RCA	24 7/8	22 3/4	+ 9.3	3.11	3.15	8	7	3.00	3.43	8,700	7,989
Rockwell International	40 5/8	26 3/4	+ 51.9	3.70	3.85	11	7	3.80	3.77	7,600	6,989
Schlumberger	99 3/4	73 1/2 S	+ 35.7	5.26	3.78	16	17	6.25	4.85	5,600	5,137
Signal Cos	31 7/8	22 3/8 S	+ 42.5	2.63	3.38	10	7	3.25	2.63	5,250	4,822
Sperry	51 7/8	46 7/8	+ 10.7	7.68	7.60	6	6	8.25	7.68	5,900	5,427
Storage Technology	34 3/4	14 7/8	+133.6	1.80	1.64	18	8	1.90	1.76	720	660
Tektronix	60 3/4	49 3/4	+ 22.1	4.51	4.51	14	11	4.30	4.66	1,150	1,048
Teledyne	164 7/8	123 3/8	+ 33.6	16.29	22.42	9	5	19.00	15.23	3,250	2,997
Texas Instruments	114 1/2	93 1/4	+ 22.8	8.49	8.10	14	11	8.25	9.22	4,550	4,181
TRW	60 1/4	39 5/8	+ 52.1	6.52	6.18	8	6	7.10	6.39	5,600	5,117
Varian Associates	25 3/4	26 5/8	+ 3.3	1.63	2.77	16	10	1.65	2.66	700	657
Western Electric				SUBSIDIARY						14,350	13,152
Westinghouse	33 1/4	23 5/8	+ 40.7	4.91	4.07	7	5	5.10	4.71	9,500	8,700
Xerox	54	57 1/2	– 6.1	7.44	6.82	7	8	8.00	7.33	9,150	8,391
Zenith Radio	19 7/8	10 5/8	+ 87.1	1.36	1.10	14	11	1.40	1.40	1,350	1,213

(A) – Earnings per share for latest 12 months, through May 31, 1981.
(B) – Per share stock price for the latest 12 months, through May 31, 1981.
(C) – Earnings per share and sales as actually reported for either calendar or fiscal 1980/1981 and projections for 12 months thereafter.
NA – Not Available.

S – Stock split adjustment.
D – Deficit.
‡ – New Asset Value.
* – Acquisition pending.
** – Acquired.

AAR Corp.

2100 Touhy Avenue
Elk Grove Village, Illinois 60007
(312) 437-9300

Officers: Ira A. Eichner, chairman of the board & chief executive officer; Robert C. Stuart, president & chief operating officer; Ben C. Brostoff, v.p.-general counsel & secretary; Robert A. Cameron, v.p.-finance & treasurer; Jan van den Berg, v.p.-Int'l. Operations; Samuel Wershba, v.p.; Dennis B. Nichols, group v.p.-General Aviation Group; Barton J. Levin, v.p.-corp. planning; Joseph J. Dzurinko, v.p.-accounting; Neil S. Weiner, asst. general counsel & asst. secretary.

Directors: Ira A. Eichner, chairman; Roert C. Stuart, Ben C. Brostoff, Robert A. Cameron, Herbert K. Cummings, Jan van den Berg, Edgar D. Jannotta, Erwin E. Schulze, James H. Ruben, William A. Jennett, Robert D. Judson.

Areas of Work: Engaged in the overhaul and certification of communications and navigation equipment (avionics, engines, engine parts, and airframe parts; design, manufacture and marketing of proprietary instrumentation; retail distribution of Cessna aircraft, associated distribution of parts and accessories for general aviation, and flight instruction; and line and shop maintenance of engines, propellers, airframes, avionics and accessories.

Divisions:

Allen Aircraft
2100 Touhy Avenue
Elk Grove Village, Illinois 60007
(312) 437-9300

Aeronetics
2100 Touhy Avenue
Elk Grove Village, Illinois 60007
(312) 437-9300

Subsidiaries:

AAR Jet Center, Inc.
Hangar 4
Oakland International Airport
P.O. Box 2109
Oakland, California 94614
(415) 638-6804

American Aviation Resources, Inc.
6110 Executive Boulevard, Suite 810
Rockville, Maryland 20852
(301) 984-9350

AAR Technical Service Center Corp.
747 Zeckendorf Boulevard
Garden City, New York 11530
(516) 222-9000

AAR Oklahoma, Inc.
Will Rogers World Airport
P.O. Box 19508
Oklahoma City, Oklahoma 73119
(405) 681-2361

Allen Aircraft Hardware, Inc.
111 S.W. 33 St.
Fort Lauderdale, Florida 33315
(305) 525-4181

Allen-Airmotive International, Inc.
705 Kruisweg
Hoofddorp, The Netherlands

Avia Radio A/S
Hanger 141
Copenhagen Airport
2791 Dragoer, Denmark

AAR Del Monte, Inc.
Monterey Peninsula Airport
P.O. Box 1311
Monterey, California 93940
(408) 373-4151

Mars Aircraft Radio Service Company of New Jersey
Hangar 3
Teterboro Airport
Teterboro, New Jersey 07508
(201) 288-0222

Technisch Handelskartoor Lloyd, B.V.
Daalmeerstraat 17-19
Hoofdoorp, The Netherlands

AAR Western Skyways, Inc.
Portland-Troutdale Airpot
Troutdale, Oregon 97060
(503) 665-1181

Allen-Airmotive International (France) S.A.R.L.
30, Avenue de l'amiral Lemonnier
78160 Marly le Roi
Paris, France

Abscoa Industries, Inc.
200 Saw Mill River Road
Hawthorne, New York 10532
(914) 747-0500

Abscoa Industries, Inc.
3160 West El Segundo Boulevard
Hawthorne, California 90250
(213) 970-0886

AAR Energy Services Corp.
747 Zeckerdorf Blvd.
Garden City, New York 11530
(516) 747-6400

Allen Aircraft International, Inc.
Grove House
Hatfield Road
Slough, Berks, England

Jet International Corp.
3330 Dundee Road, Suite C-3
Northbrook, Illinois 60062
(312) 480-9440

Transfer Agent(s):

The First National Bank of Chicago
Chicago, Illinois

The Chase Manhattan Bank, N.A.
New York, New York

Stock Exchange(s): New York

Ticker Symbol: AIR

Number of Employees:

1980	896	1977	810
1979	940	1976	770
1978	895		

Plant Footage:

1980	1,000,000 sq. ft.	1978	858,600
1979	925,300		

Sales and Earnings

	Net Sales	Net Income
1980	$130,617,000	$ 3,721,000
1979	118,667,000	3,005,000
1978	92,820,000	2,015,400
1977	80,535,200	1,800,900
1976	65,797,100	1,860,200

	No. of Com. Shares‡	Earn. per Share‡
1980	2,216,000	$1.68
1979	2,099,000	1.43
1978	2,099,000	0.96
1977	2,126,000	0.85
1976	2,136,000	0.87

‡ Based on the average number of shares outstanding adjusted to reflect stock dividend and stock splits.

Revenues By Line of Business

	1980	1979
Commercial aviation prods. & serv.	$ 61,126,000	$ 52,569,000
General aviation prods. & serv.	69,491,000	66,098,000
Total	$130,617,000	$118,667,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.38	—	5-for-4
1979	0.30	—	5-for-4
1978	0.22	10%	—
1977	0.19	—	—
1976	0.13	—	—

+ Adjusted to reflect stock dividend and stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 25,682,000	$10.90
1979	21,084,000	10.02
1978	18,666,000	8.92
1977	17,252,000	8.14
1976	15,781,400	7.51

‡ Adjusted to reflect stock dividend and stock splits.

Income Account *

Year ended May 31	1980	1979
Net sales	$130,617,000	$118,667,000
Cost of sales	102,503,000	93,115,000
Expenses	18,670,000	16,984,000
Interest expense	3,492,000	2,788,000
Income before taxes	$ 5,952,00	$ 5,780,000
Eq. in inc. of non-consol. investee	(452,000)	—
Income taxes	2,683,000	2,775,000
Net Income	$ 3,721,000	$ 3,005,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,112,000 in 1980 and $1,486,000 in 1979.

Assets

As of May 31	1980	1979
Cash	$ 3,073,000	$ 2,540,000
Accts. receiv., net	19,008,000	15,539,000
*Inventories	29,386,000	31,334,00
Prepaid expenses	1,255,000	690,000
Current Assets	$ 52,722,000	$ 50,103,000
#Fixed assets	13,548,000	11,142,000
Other assets	7,488,000	2,949,000
Total Assets	$ 73,758,000	$ 64,194,000

Liabilities

Notes payable	$ 12,798,000	$ 13,334,000
Long-term debt, curr.	381,000	700,000
Accts. payable	9,332,00	6,159,000
Accruals	3,815,000	3,116,000
Income taxes	53,000	1,719,000
Curr. Liabilities	$ 26,379,00	$ 25,028,000
Long-term debt:		
Due to banks & others	19,784,000	14,631,000
Deferred inc. taxes	788,000	751,000
Convert. subord. notes	1,125,000	2,700,000
+Common stock	2,452,000	1,777,000
Add. paid-in capital	10,158,000	9,157,000
Retained earnigs	13,533,000	10,657,000
Treasury stock	(461,000)	(507,000)
Total Liabilities & Shareholders' Equity	$ 73,758,000	$ 64,194,000

* At lower of cost or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income before Taxes to Sales	4.56	4.87
%Net Income to Sales	2.85	2.53
%Net Income to Equity	14.49	14.25
Sales to Inventories	4.44	3.79
Working Capital	$ 26,343,000	$ 25,075,000
Current Ratio	2.00	2.00
Shareholders' Equity	$ 25,682,000	$ 21,084,000

A.B.A. Industries, Inc.

P.O. Box 510
10260 U.S. Highway 19 North
Pinellas Park, Florida 33565
(813) 546-3571

Mailing Address:
P.O. Box 510
Pinellas Park, Florida 33565

A.B.A. Industries, Inc.

Officers: Alan K. Anderson, chairman of of the board & president; Albert Schroeder, exec. v.p.; Carlton G. Carrington, Bruce W. Harting, vice presidents: Clarence E. Carlson, v.p. & controller; Samuel W. Bishop, v.p.-corp. development; Priscilla MaLaughlin, asst. secretary; Ellen Aldridge, treasurer; M. Kim Webster, secretary.

Directors: Alan K. Anderson, Bruce W. Harting, Robert Dressler, Samuel W. Bishop, Albert W. Schroeder.

Areas of Work: Manufactures aerospace parts, principally commercial and military aircraft engine parts, for various aerospace manufacturers. Also involved in the production and sale of target systems and radar pedestals primarily to U.S. Government or to prime contractors to U.S. Government agencies under long-term contracts.

Divisions and Subsidiaries:

ABA Electromechanical Systems, Inc.
6200 - 18th Avenue North
Largo, Florida 33543
(813) 541-6681

Designs and manufactures electro-mechanical systems for various government agencies, either as a prime or subcontractor. Had developed a Fully Automated Scoring Target System ("FAST") for use in rifle trainig ranges. Manufactures antennapedestal systems.

ABA Precision Machining Division
10260 U.S. Highway 19 North
Pinellas Park, Florida 33565
(813) 546-3571

Manufactures parts primarily for the aerospace industry, particularly turbine engines.

Polytronic ABA, Inc.
6100 118th Avenue North
Largo, Florida 33543
(813) 541-1995

ABA Flash Welded Ring Division
10260 U.S. Highway 19 North
Pinellas Park, Florida 33565
(813) 546-3571

Commercial Products Division
6100 118th Avenue North
Largo, Florida 33543
(813) 546-3571

Transfer Agent(s):

J. Henry Schroder Bank and Trust Co.
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ABAI (NASDAQ)

Number of Employees:

1980	480	1979	375

Plant Footage:

1981	160,443 sq. ft.	1979	87,671
1980	114,671		

Sales and Earnings

	Net Sales	Net Income
1980	$ 23,381,989	$ 925,745
1979	13,622,062	452,302
1978	8,184,560	198,547
1977	7,734,713	232,396
1976	7,792,832	387,612

	No. of Com. Shares	Earn. per Share#
1980	1,120,082	$1.03
1979	736,840	0.64
1978	712,230	0.28
1977	715,550	0.32
1976	715,550	0.54

# Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.10	—	2-for-1 & 5-for-4 ‡
1979	—	—	—
1978	—	—	—
1977	0.04	—	—
1976	0.04	—	—

+ Adjusted to reflect stock splits.
‡ Declared Dec., 1980.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 6,874,176	$6.14
1979	3,508,787	4.76
1978	2,934,960	4.12
1977	2,743,706	3.83
1976	2,539,932	3.55

‡ Adjusted to reflect stock splits.

Income Account *

Year ended Oct. 31	1980	1979
Net sales & contract revs.	$ 23,381,989	$ 13,622,062
Other income	299,386	192,220
Total income	$ 23,681,375	$ 13,814,282
Cost of sales	19,850,163	11,527,212
Expenses	2,104,827	1,351,974
Interest expense	339,329	254,946
Income before taxes	$ 1,387,056	$ 680,150
Income taxes	493,000	187,000
Minority interest	(31,689)	40,848
Net Income	$ 925,745	$ 452,302

* Included in Costs and Expenses. Depreciation: $476,858 in 1980 and $291,469 in 1979.

Assets

As of Oct. 31	1980	1979
Cash	$ 917,854	$ 263,058
Accts. receiv., net	5,954,972	3,311,553
Long-term debt, curr.	29,343	12,741
*Inventories	2,298,328	2,434,638
Prepaid expenses	74,374	11,914
Inc. taxes receiv.	—	207,000
Current Assets	$ 10,274,871	$ 6,240,904
#Fixed assets	4,908,506	2,792,808
Other assets	320,373	217,167
Total Assets	$ 15,503,750	$ 9,250,879

Liabilities

	1980	1979
Notes payable	$ 100	$ 1,350,000
Long-term debt, curr.	42,310	38,478
Accts. payable	2,805,919	1,129,981
Accruals	1,094,706	520,678
Billing in exc. of cost	918,062	—
Deferred inc. taxes	904,000	974,100
Inc. taxes payable	38,000	—
Curr. Liabilities	$ 5,803,097	$ 4,013,237
Long-term debt	2,166,377	1,593,855
Deferred inc. taxes	660,100	135,000
+ Common stock	114,039	75,715
Add. paid-in capital	3,925,093	1,445,219
Retained earnings	2,880,188	2,032,997
Treasury stock	(45,144)	(45,144)
Total Liablities & Shareholders' Equity	$ 15,503,750	$ 9,250,879

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

	1980	1979
%Income before Taxes to Sales	5.93	4.99
%Net Income to Sales	3.96	3.32
%Net Income to Equity	13.47	12.89
Working Capital	$ 4,471,774	$ 2,227,667
Current Ratio	1.77	1.56
Shareholders' Equity	$ 6.874,176	$ 3,508,787

AccuRay Corporation

(formerly Industrial Nucleonics Corporation)

650 Ackerman Road
Columbus, Ohio 43202
(614) 261-2000

Officers: David L. Nelson, president; Christopher J. Campbell, Henry R. Chope, exec. v.p.'s; William L. Adams, Herbert J. Kahn, James D. Mitchell, sr. v.p.'s; Robert W. Swenson, v.p.- finance; William D. Bloebaum, v.p. - finance, International; Walter H. Canter, Jr., Donald D. Danison, John E. DeWitt, John E. Eickelberg, David J. Foster, v.p.'s Ladd R. Grapski, controller Marc F. DeBacker, controller- International; Robert F. Zust, treasurer; John A Koegel, secretary and general counsel.

Directors: Edward McC. Blair, Christopher J. Campbell, Gordon B. Carson, Henry R. Chope, John Eckler, Thomas F. Jones, David L. Nelson, George F. Schlaudecker, Robert E. Swenson, George B. Young.

Areas of Work: Manufactures process management systems for the pulp and paper, tobacco, metals, and plastics markets. AccuRay systems are designed to minimize quality variation and to increase production.

Divisions and Subsidiaries:

AccuRay Argentina
Maipu 812 Piso 3 Office L
1006 Buenos Aires, Argentina

AccuRay Australia Pty. Ltd.
Level 11, B.M.A. House
815 Pacific Highway
Chatswood 2067
New South Wales, Australia

AccuRay International
Genevestraat 10
1140 Brussels, Belgium

AccuRay Sistemas Limitada
Rua Beneficencia Portuguessa, 24
S/411
CEP. 01033
Sao Paulo, Brasil

AccuRay of Canada Ltd.
1890 Beaulac
Ville St. Laurent
Quebec, Canada

AccuRay Finland Oy
Salomonkatu 17 B 6
00100 Helsinki 10
Finland

AcccuRay France S.A.R.L.
8 Rue Auguste-Renoir
78400 Chatou, France

AccuRay Deutschland GmbH
Holzgasse 29-33
52 Siegburg
West Germany

AccuRay Ireland
P.O. Box GPO
Dundalk, County Louth
Ireland

AccuRay Italia S.r.l.
Piazza Leonardo Da Vinci 1-3
16145 Genoa, Italy

AccuRay Japan Ltd.
New Kudan Building No. 7
3-Chome Kanda-Jimbocho
Chiyoda-ku
Tokyo, Japan

AccuRay Mexico S.A. de C.V.
Avenida de las Palmas 731-704
Piso 7
Lomas de Chapultepec
Mexico 10 D.F., Mexico

AccuRay Australia Pty. Ltd.
Suite 2A
40 Eruera Street
P.O. Box 1643
Rotorua, New Zealand

AccuRay S.A. (Pty.) Ltd.
113 Old Main Road
P.O. Box 808
Pinetown 3600
Republic of South Africa

AccuRay Espana, S.A.
C/Milanesado 21-23
Barcelona 17, Spain

AccuRay Scandinavia A.B
Bergshojden 32
Box 7102
S-17207 Sundbyberg, Sweden

AccuRay (U.K.) Limited
Langwood House
63-81 High Street
Rickmansworth
Hertfordshire WD3 1EQ, England

Transfer Agent(s):

First National Bank of Chicago
Chicago, Illinois 60670

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ACRA (NASDAQ)

Number of Employees:

1980	1,905	1977	1,887
1979	1,900	1976	1,919
1978	1,940		

Sales and Earnings

	Net Sales ‡	Net Income †
1980	$ 49,311,000	$ 2,360,000
1979	44,613,000	1,206,000
1978	43,746,000	433,000
1977	33,612,000	148,000
1976	33,317,000	(2,869,000)

	No. of Com. Shares	Earn. per Shares # †
1980	3,522,131	$0.68
1979	3,434,356	0.35
1978	3,434,356	0.13
1977	3,434,356	0.04

(Loss)
‡ Including revenues from sales and rentals.
† Including extraordinary gain of $366,000 ($0.11 per share) in 1978.
# Based on average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 20,114,000	$5.71
1979	17,285,000	5.03
1978	16,079,000	4.68
1977	15,646,000	4.56
1976	15,498,000	4.51

Income Account *
(000's)

Year ended Dec. 81	1980	1979
Net sales	$ 49,311	$ 44,613
Other income	53,599	47,045
Total income	$ 102,910	$ 91,658
Cost of sales	60,451	54,245
Expenses	31,276	27,057
Interest expense	7,765	7,976
Foreign currency loss	510	492
Gain on deben.	(427)	—
Income before taxes	$ 3,335	$ 1,888
Income taxes	975	682
Net Income	$ 2,360	$ 1,206

*Included in Costs and Expenses, Depreciation and Amortization: $1,729,000 in 1980 and $1,709,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 2,195	$ 1,833
Restricted cash	420	420
Accts. receiv.	37,762	38,605
Contracts receiv.	3,538	5,275
*Inventories	31,518	27,220
Prepaid expenses	2,745	1,857
Current Assets	$ 78,178	$ 75,210
Other receiv.	5,527	9,807
# Lease/rental agmts.	376	418
# Fixed assets	14,543	14,817
Other assets	1,830	1,819
Total Assets	$ 100,454	$ 102,071

Liabilities
(000's)

Notes payable	$ 15,960	$ 14,405
Accts. payable	6,357	7,847
Accruals	9,549	8,646
Income taxes	501	1,303
Curr. Liabilities	$ 32,367	$ 32,201
Long-term debt	18,441	23,326
Mortg. payment	6,812	6,945
Lease purch. oblig.	1,567	1,982
5½% Conv. subord. debent.	14,000	15,000
Deferred income	4,784	3,937
Deferred inc. taxes	2,369	1,395
+ Common stock	3,673	3,585
Add. paid-in capital	4,108	3,727
Retained earnings	13,541	11,181
Treasury stock	(1,208)	(1,208)
Total Liabilities & Shareholders' Equity	$ 100,454	$ 102,071

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Total Income	3.24	2.06
%Net Income to Total Income	2.29	1.32
%Net Income to Equity	11.73	6.98
Working Capital	$ 45,811,000	$ 43,009,000
Current Ratio	2.42	2.34
Shareholders' Equity	$ 20,114,000	$ 17,285,000

Acme Electric Corporation

20 Water Street
Cuba,New York 14727
(716) 968-2400

Officers: Kirk E. Hapton, chairman of the board; James W. McLaughlin, president & chief exec. officer & treasurer; Robert J. McCue, v.p.-marketing; John C. Hey, v.p.-engineering; J.T. Odell, v.p.-industrial relations; Thomas P. Sullivan, controller; Joseph L. Harris, secretary; Daniel K. Corwin, Materials Mgr.; J. Pinker, Maufacturing Mgr.; U. Prentiss Hedrick, Purchasing Supervisor; John E. Gleason, manager Standard Products Engineering; James E. Balcom, manager, Custom Products Engineering; Ronald H. Randall, mgr., Product Development Eng.; Sidney Emmons, Director, Product Integrity; Dickey V. Amundsen, Plant Mgr.-Cuba, N.Y.; Robert D. Milne, Jr., Plant Mgr.-Allegheny, N.Y.; Edward D. Clapp, Plant Mgr.-Salt Lake City UT., Roger Eaton, Plant Mgr.-Rochester, N.Y.; Thomas G. Long, Plant Mgr.-Lumberton, N.C.; George P. Dannecker, Sales Mgr.-Electrical Products; Richard J. Milne, Sales Mgr.-OEM Power Products; Paul D. Jensen, Nat'l. Accts. Mgr.-Automotive Aftermarket.

Directors: K.E. Hampton*, chairman; R. Hartley Bond, G. Wayne Hawk, J.W. McLaughlin*, R.O. Hopkins, M.J. Valicenti, Henry H. Coords, Frank W. Williams.

*Member of Executive Committee.

Areas of Work: Dry type power distribution transformers, regulated D.C. power supplies, constant voltage transformers, static power rectifiers, motor starting reactors and reactor packs, machine tool control transformers, stepdown and tapped winding transformers, voltage adjusting transformers, saturable reactors, magnetic amplifier power controls, military type power supplies, power line regulators, special purpose transformers, frequency control equipment, automotive battery chargers, communication power supplies and magnetic components power supplies for electrostatic applications, specification line transformers. Manufacturing operations are located at Lumberton, North Carolina, Cuba, Rochester and Allegheny. New York, Salt Lake City, Utah.

Transfer Agent(s):

The Bank of New York
48 Wall Street
New York, New York 10015

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ALEC (NASDAQ)

Number of Employees:

1980	1,060	1977	980
1979	1,130	1976	925
1978	1,129		

Plant Footage:

1980	413,000 sq. ft.	1977	313,000
1979	413,000	1976	313,000
1978	413,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 49,976,902	$ 2,833,788
1979	43,382,112	1,985,247
1978	39,787,837	2,985,111
1977	32,159,013	2,092,520
1976	24,528,819	1,034,849

	No. of Com. Shares #	Earn. per Share #
1980	2,825,052	$1.00
1979	2,830,242	0.70
1978	2,805,270	1.06
1977	2,781,258	0.75
1976	2,729,718	0.38

# Based on weighted average number of shares outstanding adjusted to reflect stock dividends and stock split.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.24	5%	—
1979	0.23	100%	—
1978	0.16	5% + 10%	—
1977	0.10	5% + 100%	2-for-1
1976	0.07	5%	—

‡ Adjusted to reflect stock dividends and stock split.

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 16,207,110	$5.77
1979	14,320,408	5.04
1978	12,947,294	4.60
1977	10,353,575	3.71
1976	8,457,561 ‡	3.09

‡ After allowing for preferred stock at par value.
# Based on weighted average numbers of shares outstanding adjusted to reflect stock dividends and stock split.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 49,976,902	$ 43,382,112
Cost of sales	36,526,732	32,801,878
Expenses:		
Res. & engr.	2,946,698	2,625,995
Sell. & admin.	4,789,202	4,305,432
Interest expense	264,677	297,106
Income before taxes	$ 5,449,593	$ 3,351,701
Income taxes	2,615,805	1,366,454
Net Income	$ 2,833,788	$ 1,985,247

* Included in Costs and Expenses, Depreciation: $857,060 in 1980 and $674,609 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 160,261	$ 277,232
Short-term investments	—	300,000
Accts. receiv., net	6,833,728	6,086,554
*Inventories	9,888,711	7,787,137
Other curr. assets	200,135	179,623
Current Assets	$ 17,082,835	$ 14,630,546
#Fixed assets	6,768,702	6,490,493
Intangibles	1	1
Total Assets	$ 23,851,538	$ 21,121,040

Liabilities

	1980	1979
Long-term debt, curr.	$ 160,000	$ 374,000
Accts. payable	1,916,976	1,714,330
Income taxes	1,356,424	434,667
Other liabilities	1,161,028	1,067,635
Curr. Liabilities	$ 4,594,428	$ 3,590,632
Long-term debt	3,050,000	3,210,000
+Common stock	2,981,911	2,832,384
Add. paid-in capital	4,064,116	3,344,974
Retained earnings	9,834,221	8,497,438
Treasury stock	(673,138)	(354,388)
Total Liabilities & Shareholders' Equity	$ 23,851,538	$ 21,121,040

* At lower of current cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	10.90	7.73
%Net Income to Sales	5.67	4.58
%Net Income to Equity	17.48	13.86
Sales to Inventories	5.05	5.57
Working Capital	$ 12,488,407	$ 11,039,914
Current Ratio	3.72	4.07
Shareholders' Equity	$ 16,207,110	$ 14,320,408

Adage, Inc.

(48.25% owned by American Research and Development Division of Textron Inc.)

1079 Commonwealth Avenue
Boston, Massachusetts 02215
(617) 783-1100

Officers: Richard N. Spann, president; Brijeshwari Prasad, Frederick E. Shirk, Seymour Yalen, v.p.'s; John P. Cunningham, treasurer; Richard J. Testa, clerk.

Directors: Harlan E. Anderson, Charles J. Coulter, Jr., William Wolfson, Richard N. Spann.

Areas of Work: Manufactures, develops and sells interactive computer graphics systems and subsystems, primarily for use in problem solving through interaction with computer generated graphics displays.

Subsidiaries:

Adage S.p.A. (Italy)
Adage International Sales Corp. (DISC)

Transfer Agent(s):

First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ADGE (NASDAQ)

Number of Employees:

1979	157	1977	104
1978	130		

Plant Footage:

1979	54,000 sq. ft.	1977	44,000
1978	44,000		

Sales and Earnings

	Net Sales	Net Income †
1979	$ 6,288,341	$ 451,493
1978	5,177,496	809,942
1977	4,615,846	588,861
1976*	4,752,204	708,708
1975	3,811,556	179,831

	No. of Com. Shares	Earn. per Share †#
1979	750,348	$0.60
1978	788,647	0.95
1977	788,647	0.67
1976	788,647	0.79
1975	788,647	0.23

*53 weeks.
† Including extraordinary gain of $391,000 ($0.49 per share) in 1978, $269,000 ($0.34 per share) in 1977, $482,000 ($0.59 per share) in 1976 and $67,000 ($0.09 per share) in 1975.
# Based on the weighted average number of common shares and special class common stock outstanding and, in 1976, common stock equivalents.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 1,671,278	$2.23
1978	875,584#	1.11
1977	125,642#	0.16

# After allowing for preferred stock at stated value.

Income Account *

Year ended	3/31/79	4/1/78
Net sales	$ 6,288,341	$ 5,177,496
Service contracts	1,135,510	864,601
Total operating revenues	$ 7,423,851	$ 6,042,097
Cost of sales	4,080,068	3,252,931
Expenses	2,329,022	1,830,673
Loss (gain) from for. exch. rate fluc.	(5,059)	4,102
Interest expense	111,927	45,449
Income before taxes	$ 907,893	$ 908,942
Income taxes	456,400	490,000
Net Income	$ 451,493	$ 418,942
Extraordinary gain	—	391,000
Net Income & extraordinary gain	$ 451,493	$ 809,942

*Included in Costs and Expenses, Depreciation and Amortization: $173,961 in 1979 and $181,491 in 1978.

Assets

As of	3/31/79	4/1/78
Cash	$ 190,285	$ 154,205
Accts. receiv., net	2,236,829	1,671,967
Finance lease contracts curr.	18,885	181,317
*Inventories	1,664,268	1,051,818
Prepaid expenses	80,993	73,175
Current Assets	$ 4,191,260	$ 3,132,482
# Fixed assets	527,937	466,091
Finance lease contracts	19,336	4,460
Total Assets	$ 4,738,533	$ 3,603,033

Liabilities

	3/31/79	4/1/78
Short-term debt	$ 85,000	$ 100,000
Long-term debt, curr.	240,570	333,334
Accts. payable	754,838	502,910
Accruals	497,971	444,791
Inc. taxes pay.	208,442	60,509
Deferred inc. taxes	169,091	—
Curr. Liabilities	$ 1,955,912	$ 1,441,544
Long-term debt	1,013,990	63,905
Dividends payable	—	180,000
Deferred foreign taxes	29,922	33,000
Deferred inc. tax credits	67,431	9,000
+ Preferred stock	—	1,000,000
+ + Common stock	79,365	78,865
Add. paid-in capital	1,183,719	796,719
Retained earnings	451,493	—
Deficit	(4,088,750)	(3,338,808)
Treasury stock	(43,299)	—
Total Liabilities & Shareholders' Equity	$ 4,738,533	$ 3,603,033

*At lower of cost or market.
# Less accumulated depreciation and amortization.
+$1 par value.
+ + $0.10 par value.

Statistical Summary

	3/31/79	4/1/78
%Income bef. Taxes to Revenues	12.23	15.04
%Net Income to Revenues	6.08	6.93
%Net Income to Equity	27.01	22.34
Working Capital	$ 2,235,348	$ 1,690,938
Current Ratio	2.14	2.17
Shareholders' Equity	$ 1,671,278	$ 1,875,584

Adams-Russell Co., Inc.

1380 Main Street
Waltham, Massachusetts 02154
(617) 890-2540

Officers: Gerald J. Adams, chairman of the board & chief executive officer; John J. Lynch, president & chief operating officer; Raymond E. Fredrick, Jr., Harold H. Leach, Michael Alfieris, Trevor Lambert, James J. Connolly, William C. Henchy, vice presidents; David J. McLachlan, v.p., treasurer & secretary; Jeptha H. Wade, clerk.

Directors: Gerald J. Adams, Peter A. Brooke, George B. Foote, Jeptha H. Wade, Raymond E. Fredrick, Jr., John J. Lynch, Herbert Roth, Jr., George H. Gage.

Areas of Work: Designs and manufactures microwave products and digital systems. Owns and operates CATV and TV broadcast properties.

Divisions and Subsidiaries:

Microwave Products

Radio-microwave components for signal processing and distribution; antennas, waveguide and coaxial cable assemblies; fabrication of electronic packaging.

Anzac Electronics
80 Cambridge Street
Burlington, Massachusetts 02154
(617) 273-3333

22 Florida Avenue
Bangor, Maine 04401
(287) 947-0531

Antenna and Microwave Division
Haverhill Road
Amesbury, Massachusetts 01913
(617) 388-5210

Brazonics Division
Haverhill Road
Amesbury, Massachusetts 01913
(617) 388-2280

Parisi Associates Division
280 Bear Hill Road
Waltham, Massachusetts 02154
(617) 890-0055

Digital Systems

Digital signal processing systems, hardware and software; reconnaissance and intelligence systems analysis and design; digital communicationa techniques.

Stein Associates Division
280 Bear Hill Road
Waltham, Massachusetts 02154
(617) 891-4700

Telecommunications Services

CATV-TV

CATV systems in the Northeast and central U.S. TV station - WYTV, Youngstown, Ohio-an ABC affiliate.

A-R Telecommunications Division
1380 Main Street
Waltham, Massachusetts 02154
(617) 890-2540

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts 02110

Stock Exchange(s): American

Ticker Symbol: AAR

Number of Employees:

1979	600	1977	510
1978	522	1976	458

Plant Footage:

1979	170,000 sq. ft.	1977	163,000
1978	163,000	1976	138,000

Sales and Earnings

	Net Sales	Net Income
1980	$ 36,099,000	$ 2,712,000
1979	28,387,000	1,907,000
1978	24,111,000	1,461,000
1977	17,639,000	1,059,000
1976	15,822,000	633,000

	No. of Com. Shares #	Earn. per Share #
1980	2,892,000	$0.94
1979	2,668,000	0.71
1978	2,603,000	0.56
1977	2,580,000	0.41
1976	2,651,000	0.24

# Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1980	1979
Electronic products	$ 24,548,000	$ 18,815,000
Telecommunications	11,551,000	9,572,000
Total	$ 36,099,000	$ 28,387,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	50%‡	—
1979	—	40% +	—

‡ Declared Oct., 1980.
+ Declared Oct., 1979.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 19,971,000	$6.91
1979	11,039,000	4.14
1978	9,126,000	3.51
1977	7,792,000	3.02
1976	7,040,000	2.66

‡ Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 36,098,700	$ 28,387,000
Cost of sales	21,307,600	16,405,300
Expenses	9,012,200	7,701,800
Interest expense	1,168,100	987,600
Interest & other inc.	(291,300)	(57,500)
Income before taxes	$ 4,902,100	$ 3,349,800
Income taxes	2,190,400	1,443,200
Net Income	$ 2,711,700	$ 1,906,600

* Included in Costs and Expenses, Depreciation and Amortization: $2,306,800 in 1980 and $2,089,900 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 6,385,600	$ 883,900
Receiv., net	6,751,700	4,938,500
*Inventories	4,721,100	3,503,700
Prepaid expenses	478,300	571,800
Current Assets	$ 18,336,700	$ 9,897,900
Note receiv.	332,000	397,500
#Fixed assets	15,640,500	12,435,100
Other assets	2,884,400	3,335,900
Total Assets	$ 37,193,600	$ 26,066,400

Liabilities

	1980	1979
Notes payable	$ 561,100	$ 892,400
Accts. payable	1,335,000	959,800
Accruals	3,682,500	2,823,600
Income taxes	607,500	254,400
Curr. Liabilities	$ 6,186,100	$ 4,930,200
Deferred inc. taxes	604,000	267,000
Notes payable	10,103,100	9,596,100
Accrued deferred comp.	329,300	234,100
+ Common stock	1,692,200	913,900
Add. paid-in capital	7,131,300	1,517,900
Retained earnings	11,463,100	8,960,300
Treas. stock	(315,500)	(353,100)
Total Liabilities & Shareholders' Equity	$ 37,193,600	$ 26,066,400

* At lower of average cost or market.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.58	11.80
%Net Income to Sales	7.51	6.72
%Net Income to Equity	13.58	17.27
Sales to Inventories	7.65	8.41
Working Capital	$ 12,150,600	$ 4,967,700
Current Ratio	2.96	2.01
Shareholders' Equity	$ 19,971,100	$ 11,039,000

Addmaster Corporation

416 Junipero Serra Drive
San Gabriel, California 91776
(213) 285-1121

Officers: John C. Clary, president, chief exec. officer & treasurer; Milton V. Scozzafava, Harland W. Gerds, Larry K. Wirtz, v.p's; Grace E. Joyner, secretary & asst. treasurer.

Directors: Edward R. Chilcott, John G. Clary, Arthur J. Damschen, Jr., Harland W. Gerds, Patricia Jean Clarke.

Areas of Work: Manufactures and markets electronic printing and display calculators, electric adding machines, cash registers, electronic bank teller machines, digital read-out printers and optical paper tape readers.

Subsidiaries:

Addmaster Systems, Inc.
Addmaster Export Corporation

All at:

416 Junipero Serra Drive
San Gabriel, California 91776

Clary Ltd.
12-14 Lower Addiscombe Road
Croydon, Surrey CR96AG
London, England

Transfer Agent(s):

Union Bank
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ADDC (NASDAQ)

Sales and Earnings

	Net Sales +	Net Income #
1980	$ 7,270,064	$ (497,108)
1979	8,385,085	185,686
1978	9,090,991	112,936
1977	9,648,881	172,1152)
1976	8,659,217	(611,272)

	No. of Com. Shares	Earn. per Share ‡#
1980	1,325,420	$ —
1979	1,324,120	0.14
1978	1,312,120	0.09
1977	1,312,920	0.13
1976	1,293,920	—

(Loss)
+ Includes other income.
‡ Based on average number of shares outstanding.
# Including extraordinary gain of $57,000 in 1976

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 4,848,657	$3.66
1979	5,344,115	4.04
1978	5,139,139	3.92
1977	5,028,000	3.83
1976	4,822,000	3.73

Income Account *

Year ended May 31	1979	1976
Net sales	$ 8,385,085	$ 9,090,991
Cost of sales	5,580,580	5,754,183
Expenses	2,438,363	3,006,333
Interest expense	123,456	124,539
Income before taxes	$ 242,686	$ 205,936
Income taxes	57,000	93,000
Net Income	$ 185,686	$ 112,936

*Included in Costs and Expenses, Depreciation: $242,719 in 1979 and $245,907 in 1978.

Assets

As of May 31	1979	1978
Cash	$ 601,300	$ 706,785
Accts. receiv., net	1,621,903	1,513,367
Refundable taxes	—	63,582
*Inventories	3,474,692	3,367,220
Prepaid expenses	102,896	98,010

Current Assets	$ 5,800,791	$ 5,748,964
# Fixed Assets	1,442,572	1,389,970
Other assets	97,231	255,031
Total Assets	$ 7,340,594	$ 7,393,965

Liabilities

Long-term debt, curr.	$ 257,884	$ 252,397
Accts. payable	579,318	590,469
Accruals	241,483	250,736
Other liabilities	106,125	124,994
Curr. Liabilities	$ 1,184,810	$ 1,218,596
Long-term debt	698,669	957,230
Deferred inc. taxes	113,000	79,000
+ Common stock	132,932	131,732
Add. paid-in capital	439,286	421,196
Retained earnings	4,771,897	4,586,211
Total Liabilities & Shareholders' Equity	$ 7,340,594	$ 7,393,965

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.89	2.27
%Net Income to Sales	2.21	1.24
%Net Income to Equity	3.47	2.20
Sales to Inventories	2.41	2.70
Working Capital	$ 4,615,981	$ 4,530,368
Current Ratio	4.90	4.72
Shareholders' Equity	$ 5,344,115	$ 5,139,139

Advance Ross Corporation

111 W. Monroe Street
Chicago, Illinois 60603
(312) 346-9126

Officers: Arthur S. Bowes, Jr., chairman of the board; Harvey E. Campbell, executive v.p.-finance & treasurer; Harve A. Ferrill, president; Constance Schirmer, secretary & asst. treasurer.

Directors: Henry C. Buckingham, Arthur S. Bowes, Jr. J. Patrick Lannan, Harvey E. Campbell, Harve A. Ferrill, David Michaelson, Maurice J. O'Brien.

Areas of Work: Engaged in the manufacture and sale of transportation products, metal fabrication, including the manufacturing, distribution and installation of electrostatic precipitators for pollution control: and the development of mineral properties in Colorado and Utah.

Electronics Divisions & Subsidiaries:

Precipitair Pollution Control/Advance Ross Steel Co.
Longview, Texas
Manufacturer of electro-static precipitators and engaged in metal fabrication.

Advance Ross Electronics Corporation
Ad/Ross Corporation
AMI Industries, Inc. (96% owned)
AMIDISC, Inc.
Utah Shale Land & Minerals Corporation
(24%) owned)

Transfer Agent(s):

Continental Illinois National Bank
and Trust Company of Chicago
30 North LaSalle Street
Chicago, Illinios 60693

Stock Exchange(s): Over-the-Counter

Ticker Symbol: AROS (NASDAQ)

Number of Employees:

1980	409	1977	625
1979	584	1976	749
1978	700		

Plant Footage:

1980	279,870 sq. ft.	1977	501,110
1979	501,110	1976	278,210
1978	501,110		

Sales and Earnings

	Net Sales ‡	Net Income †
1980	$ 27,162,000	$ 1,353,000
1979	25,641,494	710,838
1978	19,374,147	(106,784)
1977	20,172,998	2,259,029
1976	13,011,709	1,986,855

	No. of Com. Shares	Earn. per Share † ×
1980	3,340,820	$0.39
1979	3,340,820	0.20
1978	3,340,820	—
1977	3,340,820	0.66
1976	3,340,820	0.58

(Loss)
‡ Of continuing operations only.
† Including extraordinary credit of $362,000 ($0.11 per share) in 1976.
× Based on the average number of shares outstanding.

Revenues By Line of Business

	1980	1979
Transportation prod.	$ 16,505,000	$ 15,718,038
Metal fabrication	10,657,000	9,923,456
Total	$ 27,162,000	$ 25,641,494

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$ 15,762,000	$4.72
1979	14,367,493	4.30
1978	13,683,476	4.10
1977	13,730,215	4.11

‡ After allowing for preferred stock at redemption value of $27.50 per share.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 27,162,000	$ 25,641,494
Cost of sales	22,483,000	21,542,132
Other income	(196,000)	(200,493)
Expenses	2,388,000	2,952,297
Interest expense	655,000	507,660
Interest income	(306,000)	(246,886)
Inc. before taxes	$ 2,138,000	$ 1,086,784
Income taxes	904,000	451,000
Minority interest	(148,000)	(153,532)
Inc. (loss) from cont. oper.	$ 1,382,000	$ 789,316
Loss from discont. oper.	(29,000)	(78,478)
Net Income (Loss)	$ 1,353,000	$ 710,478

*Included in Costs and Expenses, Depreciation: $465,000 in 1980 and $419,228 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 927,000	$ 288,244
Temp. invest.	831,000	699,264
Accts. receiv., net	6,094,000	7,328,430
Note receivable	556,000	102,200
Refundable inc. taxes	—	241,044
*Inventories	6,136,000	6,111,392
Prepaid expenses	410,000	563,000
Amts. receiv.	—	725,000
Current Assets	$ 14,954,000	$ 16,059,251
Investments & other assets	5,963,000	6,138,269
# Fixed assets	2,399,000	2,385,091
Total Assets	$ 23,316,000	$ 24,582,611

Liabilities

Notes payable	—	3,650,000
Long-term debt, curr.	$ 100,000	$ 163,284
Accts. payable	1,236,000	2,145,768
Accruals	1,366,000	978,175
Billings in excess of costs	568,000	555,637
Income taxes	534,000	694,645
Curr. Liabilities	$ 3,804,000	$ 8,187,409
Long-term debt	2,372,000	811,976
Deferred inc. taxes	482,000	228,904
Minority interest	177,000	143,871
+ Preferred stock	1,014,000	1,014,000
+ + Common stock	334,000	334,000
Add. paid-in capital	5,193,000	5,192,706
Retained earnings	10,182,000	8,863,051
Treasury stock	(242,000)	(193,938)
Total Liabilities & Shareholders' Equity	$ 23,316,000	$ 24,582,611

*At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $25 par value; 5% cumulative.
+ + $0.10 par value.

Statistical Summary

%Net Income to Equity	8.21	4.67
Sales to Inventories	4.43	4.20
Working Capital	$ 11,150,000	$ 7,871,842
Current Ratio	3.93	1.96
Shareholders' Equity	$ 16,481,000	$ 15,210,451

Advanced Micro Devices, Inc.

901 Thompson Place
Sunnyvale, California 94086
(408) 732-2400

Officers: W.J. Sanders III, chairman of the board, president, & chief executive officer; James Downey, v.p.-MOS/LIC Operations Div. mgr.; Sven Simonsen, v.p. & technical director; Richard Previte, sr. v.p.-finance & treasurer; George M. Scalise, sr. v.p. adm. & intl. operations; Marvin D. Burkett, v.p. & controller; Steve Zelencik, v.p. sales; Thomas A. Skornia, v.p.-corporate services, general counsel, & secretary; Anthony Holbrook, sr. v.p.-oper. mgr.; Maurice Chidlow, v.p. Bipolar Mem. div.; Gene Connor, v.p. Bipolar operations; Stan Winvick, v.p. human res.

Directors: W.J. Sanders III, chairman, R. Gene Brown, R. Michael Shanahan, Friedrich Baur.

Areas of Work: Designs, develops, manufactures and markets complex monolithic integrated circuits.

Subsidiaries:

Advanced Micro Devices Mikro-Electronik GmbH, Germany
Advanced Micro Devices Sdn. Bhd., Malaysia
Advanced Micro Devices Export Sdn. Bhd., Malaysia
Advanced Micro, Ltd., U.S.A.
Advanced Micro Devices U.K.(Limited), England
Advanced Micro Devices SA, France
Advanced Micro Devices, SRL, Italy
Advanced Micro Devices K.K., Japan
Advanced Micro Devices (Philippines) Inc., Manila
AMD Properties, Inc., U.S.A.
Advanced Micro Devices Overseas Corporation, U.S. and Belgium
Advanced Micro Devices Export Corporation,U.S.A.
Advanced Micro Computers, Inc., U.S.A.
Advanced Micro Devices, A.B., Sweden

Transfer Agent(s):

Bank of America, NT & SA
P.O. Box 37002
San Francisco, California 94137

Bank of America, NT & SA
P.O. Box 3210
Church Street Station
New York, New York 10008

Stock Exchange(s): New York

Ticker Symbol: AMD

Number of Employees:

1980	9,756	1978	4,523
1979	6,632	1977	2.947

Plant Footage:

1980	955,000 sq. ft.	1978	322,280
1979	458,000	1977	278,280

Sales and Earnings

	Net Sales	Net Income
1981	$309,391,000	$ 24,684,000
1980	225,593,000	23,277,000
1979	148,276,000	10,955,000
1978	92,331,000	5,037,000
1977	62,116,000	4,474,000

	No. of Com. Shares ×	Earn. per Share ×
1981	15,894,000	$1.55
1980	15,179,000	1.53
1979	14,790,000	0.74
1978	12,783,000	0.39
1977	12,303,000	0.34

× Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	—	100%	—
1980	—	50%	—
1979	—	50%	—

Common Stock Equity

	Total Equity	Equity Per Share‡
1980	$118,600,000	$7.46
1979	87,513,000	5.77
1978	45,061,000	3.89
1977	16,932,000	3.52

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *
(000's)

Year ended	3/29/81	3/30/80
Net sales	$ 309,391	$ 225,593
Cost of sales	171,113	115,967
Expenses	99,859	72,219
Interest expense	1,844	159
Income before taxes	$ 36,575	$ 37,248
Income taxes	11,891	13,971
Net Income	$ 24,684	$ 23,277

* Included in Costs and Expenses, Depreciation and Amortization: $10,087,000 in 1980.

Assets
(000's)

As of	3/29/81	3/30/80
Cash & cert. of deposit	$ 12,642	$ 12,307
Accts. receiv., net	62,241	46,348
* Inventories	29,246	22,019
Prepaid expenses & inc. taxes	12,155	9,590
Current Assets	$ 116,284	$ 90,264
# Fixed assets	107,313	73,506
Other assets	1,097	986
Total Assets	$ 224,694	$ 164,756

Liabilities
(000's)

Notes payable	$ 5,471	$ 4,611
Long-term debt, curr.	978	890
Accts. payable	22,194	23,129
Accruals	19,023	17,549
Deferred income	8,902	7,237
Income taxes	3,549	2,797
Curr. Liabilities	$ 60,117	$ 56,213
Long-term debt	28,954	14,517
Deferred inc. taxes	17,023	6,513
+ Common stock & add. paid-in capital	48,793	42,314
Retained earnings	69,807	45,199
Total Liabilites & Shareholders' Equity	$ 224,694	$ 164,756

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.82	16.51
%Net Income to Sales	7.98	10.32
%Net Income to Equity	20.81	26.60
Sales to Inventories	10.58	10.25
Working Capital	$ 56,167,000	$ 34,051,000
Current Ratio	1.93	1.61
Shareholders' Equity	$118,600,000	$ 87,513,000

Advent Corporation

195 Albany Street
Cambridge, Massachusetts 02139
(617) 661-9500

Officers: Peter J. Sprague, chairman of the board; Bernard Mitchell, president & chief executive officer; Nicholas J. Amdur, v.p.-operations; Thomas B. Cheek, v.p.-engineering; Thomas A. Floerchinger, v.p.-finance & treasurer; Fred Goldstein, v.p.-marketing.

Directors: Peter J. Sprague, chairman; Bernard Mitchell, I. Townsend Burden, III; Nolan K. Bushnell, Joseph S. Farland, Robert D. vanRoijen, Jr.

Areas of Work: Manufacturers of "home-entertainment electronics" including loudspeaker systems, FM radios. Also engaged in the commercial manufacture and sale of Video-Beam projection color television sets.

Transfer Agent(s):

The First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ADVN (NASDAQ)

Number of Employees:

1980	433	1977	602
1979	396	1976	473
1978	631		

Plant Footage:

1980	224,000 sq. ft.	1978	220,000
1979	245,000		

NOTE: Since March 17,1981 the company has been operating as a debtor in possession under Chapter 11 of the bankruptcy law.

Sales and Earnings

	Net Sales	Net Income +
1980	$ 30,683,726	$ (2,228,840)
1979	38,788,665	(2,586,114)
1978	35,865,073	2,285,978
1977	27,983,037	804,137
1976	24,342,832	227,442

	No. of Com. Shares	Earn. per Share # +
1980	2,580,274	$ —
1979	2,580,273	—
1978	2,580,273	0.88
1977	2,634,273	0.31
1976	1,934,288	0.12

(Loss)
+ Including extraordinary credits $338,940 ($0.14 per share) in 1979, $959,000 ($0.37 per share) in 1978, $410,000 ($0.16 per share) in 1977, and $109,000 ($0.06 per share) in 1976.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 3,380,892	$1.31
1979	5,609,724	2.17
1978	8,594,778	3.33
1977	6,283,850	2.39
1976	813,392	0.42

Income Account *

Year ended	3/29/80	3/25/79
Net sales	$ 30,683,726	$ 38,788,665
Cost of sales	22,645,008	29,251,609
Expenses	9,528,222	10,658,635
Interest expense	848,336	803,475
Prov. for relocation	(109,000)	1,000,000
Net Loss	$ (2,228,804)	$ (2,925,054)
Extraord. credit	—	338,940
Net Loss & extraord. credit	$ (2,228,804)	$ (2,586,114)

* Included in Costs and Expenses, Depreciation and Amortization: $462,301 in 1980 and $1,344,678 in 1979.

Assets

As of	3/29/80	3/31/79
Cash	$ 242,594	$ 71,729
Accts. receiv., net	6,019,703	7,665,594
* Inventories	5,988,557	9,090,854
Prepaid expenses	248,475	314,379
Current Assets	$ 12,499,329	$ 17,142,556
# Fixed assets	949,926	1,113,158
Total Assets	$ 13,449,255	$ 18,255,714

Liabilities

Notes payable	$ 3,097,867	$ 5,173,833
Accts. payable	4,524,672	5,268,196
Accruals	1,445,824	2,203,961
Curr. Liabilities	$ 9,068,863	$ 12,645,990
+ Common stock	258,027	258,027
Add. paid-in capital	8,150,361	8,150,353
Retained earnings (deficit)	(4,628,556)	(2,399,716)
Treasury stock	(398,940)	(398,940)
Total Liabilities & Shareholders' Equity	$ 13,449,255	$ 18,255,714

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Net Income to Sales	7.26	—
%Net Income to Equity	65.92	—
Sales to Inventories	5.12	4.27
Working Capital	$ 3,430,466	$ 4,496,566
Current Ratio	1.38	1.36
Shareholders' Equity	$ 3,380,892	$ 5,609,724

AEL Industries, Inc.

306 Richardson Road
Montgomeryville, Pennsylvania 18936
(215) 822-2929

Mailing address:

P.O. Box 552
Landsdale, Pennsylvania 19446

Officers: Dr. Leon Riebman, president and chief executive officer; George King, v.p.-finance & adm.; John F. Sharkey, v.p.-planning; John R. Cox, secretary & corporate counsel; Jesse H. Riebman, treasurer and assistant secretary; Raymond J. Gutowski, v.p. & controller; Frederick D. Lipman, asst. secretary.

Directors: Conrad J. Fowler, chairman; Leon Riebman, Donald H. Miller, Jr., Grinnell Morris, Nathan Cohn, Lloyd W. Muffit.

Areas of Work: Designs and manufactures electronic equipment and systems consisting of electronic counter-measures, surveillance and other communications and process systems and equipment. Also owns and operates cable television systems.

Subsidiaries:

American Electronic Laboratories, Inc.
306 Richardson Road
Montgomeryville, Pennsylvania 18936

UltraCom, Inc.
306 Richardson Road
Montgomeryville, Pennsylvania 18936

Affiliates:

AEL Israel Limited (37% owned)
51 Hayarkon Street
BeneBaraq, Israel

Transfer Agent(s):

Provident National Bank
Philadelphia, Pennsylvania

Girard Trust Bank
Philadelphia, Pennsylvania

Stock Exchange(s): Over-the-Counter

Ticker Symbol: AELBA (NASDAQ)

Number of Employees:

1980	1,338	1978	1,173
1979	1,391	1977	1,062

Plant Footage:

1980	480,000 sq. ft.	1978	416,500
1979	470,500	1977	387,600

Sales and Earnings

	Net Sales +	Net Income
1981	$ 54,469,000	$ (3,993,000)
1980*	50,899,000	(177,000)
1979	55,893,000	1,998,000
1978	47,174,000	1,777,000
1977	33,070,000	883,000

	No. of Com. Shares †	Earn. per Share #
1981	1,910,659	$ —
1980	1,874,935	—
1979	1,872,448	1.06
1978	1,871,673	0.96
1977	1,842,917	0.48

(Loss)
* 53 weeks.
† Adjusted to reflect stock dividends.
+ Of continuing operations only.
# Based on the average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	—	—	—
1980	—	5%	—
1979	—	5%	—

Common Stock Equity

	Total Equity	Equity Per Share #
1981	$ 7,865,677	$4.12
1980	11,515,176	6.14
1979	11,697,153	6.25
1978	9,703,780	5.18
1977	7,735,106	4.20

# Adjusted to reflect stock dividends.

Income Account *

Year ended	2/27/81	2/29/80
Net sales	$ 54,469,130	$ 50,898,660
Cost of sales	40,151,219	36,409.367
Expenses	9,967,415	9,530,742
Other expense	4,631,409	2,708,133
Income (loss) bef. taxes	$ (280,904)	$ 2,250,418
Income taxes (credit)	(454,000)	679,000
Minority interest	(305,000)	(151,000)
Inc.-cont. oper.	$ 478,096	$ 1,722,418
Loss-discont. oper.	(4,471,595)	(1,899,562)
Net Loss	$ (3,993,499)	$ (177,144)

* Included in Costs and Expenses, Depreciation and Amortization: $2,409,772 in 1981 and $2,052,839 in 1980.

Assets

As of	2/27/81	2/29/80
Cash	$ 90,207	$ 329,054
Receivable, net	20,659,960	21,549,773
Refundable inc. taxes	—	57,000
* Inventories	3,639,883	7,086,244
Prepaid expenses	368,001	598,960
Current Asset	$ 24,758,051	$ 29,621,031
Investments	2,239,803	1,942,444
# Fixed assets	26,595,634	21,755,119
Other assets	360,358	227,100
Total Assets	$ 53,953,846	$ 53,545,694

Liabilities

Notes payable	$ 8,000,000	$ 7,200,000
Long-term debt, curr.	3,055,585	2,255,000
Accts. payable	5,299,379	5,308,071
Advance deposits	417,374	781,097
Accruals	5,243,641	5,070,285
Curr. Liabilities	$ 22,015,979	$ 20,614,453
Long-term debt	20,689,261	16,032,360
Subord. deben.	3,336,441	3,763,635
Deferred inc. taxes	46,488	1,647,070
+ Common stock:		
Class A	1,723,136	1,682,538
Class B	256,077	260,951
Add. paid-in capital	5,851,532	5,543,256
Retained earnings	357,748	4,351,247
Treasury stock	(322,816)	(322,816)
Total Liabilities & Shareholders' Equity	$ 53,953,846	$ 53,545,694

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

Sales to Inventories	14.96	7.18
Working Capital	$ 2,742,072	$ 9,006,578
Current Ratio	1.12	1.44
Shareholders' Equity	$ 7,865,677	$ 11,515,176

Aeroflex Laboratories Incorporated

35 South Service Road
Plainview, New York 11803
(516) 694-6700

Officers: Milton Brenner, president; Richard Casper, v.p.-engineering; Chester Gilbert, v.p.-Isolater Products; Jack Horowitz, v.p.-manufacturing; Jack Tusinski, v.p.-finance & treasurer.

Directors: Julius D. Winer, chairman; Harvey R. Blau, Robert Bradley, Ernest E. Courchene, Jr., Jerome Fox, Eugene Novikoff, Louis Radler, Jack Tusinski.

Areas of Work: Engaged in the design, development and production of precision stabilization and tracking devices, helical shock and vibration isolaters, advanced semi-conductor sub-assemblies, magnetic products and electro-optical scanning devices.

Divisions:

Systems Division
Micro-electronics Hybrid Division
Magnetic Products Division

All at:
35 South Service Road
Plainview, New York 11803
(516) 694-6700

Integrated Microsystems Division
Plainview, New York
Mountain View, California
Manufactures microelectric hybrid circuits and assemblies.

Aeroflex International, Inc.
Caguas, Puerto Rico
Produces the Isolator product line.

Aquisitions:

Huxley Envelope Corporation
Manufactures specialty envelopes.

Transfer Agent(s):

First Jersey National Bank
One Exchange Place
Jersey City, New Jersey 07302

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Revenues	Net Income ‡
1980	$ 13,042,687	$ 864,119
1979	10,385,757	577,402
1978	8,790,504	381,561
1977	8,182,966	556,194
1976	6,895,431	486,601

	No. of Com. Shares †	Earn. per Share‡†
1980	909,449	$0.95
1979	890,930	0.65
1978	890,930	0.43
1977	894,115	0.62
1976	894,115	0.54

‡ Including extraodinary gains of $264,000 ($0.29 per share) in 1977 and $235,000 ($0.26 per share) in 1976.
† Based on weighted average number of shares outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1980	1979
Stabilization & tracking devices	16.0%	16.2%
Isolators	19.0	20.9
Hybrids	31.2	30.9
Magntic prods.	21.5	27.4
Electro-optical devices	12.3	4.6
Total	100.0%	100.0%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	20%	— ‡
1979	—	10%	—

‡ On April 24, 1981 the company declared a 50% stock split in the form of a dividend.

Common Stock Equity

	Total Equity	Equity Per Share†
1980	$ 3,769,818	$4.15
1979	2,906,617	3.26
1978	2,329,607	2.61
1977	1,948,046	2.18

† Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Income Account *

Year ended June 30	1980	1979
Revenues	$ 13,042,687	$ 10,385,757
Cost of revenues	8,990,147	7,190,494
Expenses	2,944,830	2,147,173
Interest expense	181,591	89,688
Income before taxes	$ 926,119	$ 958,402
Income taxes	62,000	381,000
Net Income	$ 864,119	$ 577,402

* Included in Costs and Expenses, Depreciation and Amortization: $368,544 in 1980 and $300,854 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 451,821	$ 213,406
Receiv., net	3,376,625	2,636,917
* Inventories	2,824,060	2,078,361
Prepaid expenses & other assets	245,662	51,215
Sale of subsid.	—	80,562
Current Assets	$ 6,898,168	$ 5,060,461
# Fixed assets	1,408,672	579,569
Cap. value of fixed assets	203,222	287,260
Other assets	272,003	302,517
Total Assets	$ 8,782,065	$ 6,229,807

Liabilities

Notes payable	$ —	$ 100,000
Long-term debt, curr.	147,500	83,571
Cap. lease oblig., curr.	170,299	162,686
Accts. payable	956,488	932,470
Accruals	1,403,939	827,806
Inc. taxes pay.	396,153	536,467
Curr. Liabilities	$ 3,074,379	$ 2,643,000
Deferred income	7,362	15,162
Term notes	1,605,000	329,805
Subord. note	82,000	102,000
Cap. lease oblig.	103,506	233,223
Deferred income taxes	140,000	—
+ Common stock	80,994	67,506
Add. paid-in capital	2,761,852	1,848,053
Retained earnings	926,972	991,058
Total Liabilities & Shareholders' Equity	$ 8,782,065	$ 6,229,807

* At lower of cost (FIFO) or market.
# Less accumulated depreciation & amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenue	7.10	9.23
%Net Income to Revenues	6.63	5.56
%Net Income to Equity	22.92	19.87
Sales to Inventories	4.62	5.00
Working Capital	$ 3,823,789	$ 2,417,461
Current Ratio	2.24	1.91
Shareholders' Equity	$ 3,769,818	$ 2,906,617

Aeronca, Inc.

200 Rodney Street
Pineville, North Carolina 28134
(704) 889-7281

Officers: Roy J. Benecchi, chairman & chief exec. officer; Joe L. Miller, president, chief operating officer & chief financial officer; John E. Hackett, v.p.-administration; John R. Stewart, treasurer; Gorden J. Wolf, secretary.

Directors: Roy J. Benecchi, Richard M. Mock, Stuart W. Cramer, Gordon J. Wolf, Fred Carr, Joe L. Miller, Frederick R. Einsidler, George E. Griffin, Gerard A. Fulham.

Areas of Work: Engineering, development and manufacture of environmental and pollution control systems and other industrial products; manufacturer of major aircraft structural-components, jet engine components, engine nacelles and marine honeycomb products.

Divisions and Subsidiaries:

Aerospace Division

Middletown Plant
1712 Germantown Road
Middletown, Ohio 45042
(513) 422-2751

Environmental Systems Group

Air Handling Products Division
200 Rodney Street
Southland Industrial Park
Pineville, North Carolina 28134
(703) 889-7281

Buensod/Agitair Division
5th and Mitchell Avenue
Lansdale, Pennsylvania 19446
(215) 855-8261

Kem-Wove Division
120 Brookford Street
Arrowood Industrial Development
Charlotte, North Carolina 28210
(704) 588-0080

Transfer Agent(s):

AmeriTrust of Cleveland
900 Euclid Avenue
Cleveland, Ohio 44101

Stock Exchange(s): American, Pacific

Ticker Symbol: ARN

Number of Employees:

1981	1,130	1979	1,100
1980	1,200	1978	900

Plant Footage:

1981	735,000 sq.ft.	1979	684,000
1980	709,000		

Sales and Earnings

	Net Sales +	Net Income ‡
1980	$ 81,528,000	$ 2,933,000
1979	55,580,000	477,000
1978	45,923,000	1,681,000
1977	35,277,000	1,464,000
1976	32,399,000	(7,544,000)

	No. of Com. Shares †	Earn. per Share ‡†
1980	3,111,044	$0.91
1979	2,454,570	0.12
1978	2,691,454	0.59
1977	2,590,115	0.53
1976	1,524,029	—

(Loss)
+ Of continuing operations only
† Based on the weighted average number of common shares and common share equivalents outstanding during the year.
‡ Including extraordinary gains of $1,587,000 ($0.51 per share) in 1980, $2,706,000 ($1.10 per share) in 1979, $857,000 ($0.32 per share) in 1978, $606,000 ($0.23 per share) n 1977.

Revenues By Line of Business (000's)

	1980	1979
Aircraft, aircraft engine, aerospace & other structures	$ 57,786	$ 42,634
Environmental control systems & components	21,618	11,047
Other segments	2,124	1,899
Total	$ 81,528	$ 55,580

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 7,817,000	$2.51
1979	4,767,000	1.94
1978	612,000	0.23

‡ Based on the weighted average number of common shares and common share equivalents outstanding during the year.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 81,528,000	$ 55,580,000
Cost of sales	68,229,000	49,476,000
Expenses	6,947,000	4,953,000
Prov. for loss	—	1,339,000
Depreciation & amortization	452,000	594,000
Interest expense	2,610,000	1,594,000
Other charges (income)	4,000	(147,000)
Lawsuit settlement	353,000	—
Income (loss) bef. taxes	$ 2,933,000	$ (2,229,000)
Income taxes	1,587,000	—
Net Income (Loss)	$ 1,346,000	$ (2,229,000)
Extraordinary gain	1,587,000	2,706,000
Net Income & extraordinary gain	$ 2,933,000	$ 477,000

* Included in Costs and Expenses, Depreciation and Amortization: $452,000 in 1980 and $594,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 1,153,000	$ 935,000
Accts. receiv., net	12,430,000	10,023,000
* Inventories	15,802,000	11,019,000
Prepaid expenses	396,000	319,000
Current Assets	$ 29,781,000	$ 22,296,000
# Fixed assets	4,295,000	3,446,000
Other assets	141,000	221,000
Total Assets	$ 34,217,000	$ 25,963,000

Liabilities

Long-term debt, curr.	$ 2,748,000	$ 1,513,000
Accts. payable	10,386,000	7,459,000
Accruals	2,029,000	1,055,000
Accrued payroll	1,594,000	1,190,000
Curr. Liabilities	$ 16,757,000	$ 11,217,000
Long-term debt	6,898,000	7,034,000
+ Redeemable preferred	1,646,000	1,646,000
+ + Preference stock	1,099,000	1,299,000
+ + + Common Stock	12,573,000	12,536,000
Add. paid-in capital	4,424,000	4,344,000
Deficit	(9,180,000)	(12,113,000)
Total Liabilities & Shareholders' Equity	$ 34,217,000	$ 25,963,000

* At standard cost, which cost is not in excess of average actual cost or net realizable, whichever is lower.
# Less accumulated depreciation.
+ $100 par value, 6%.
+ + No par value; $6 convertible.
+ + + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.60	—

%Net Income to Sales	1.65	—
%Net Income to Equity	17.22	—
Sales to Inventories	5.16	4.98
Working Capital	$ 13,024,000	$ 11,079,000
Current Ratio	1.78	1.99
Shareholders' Equity	$ 7,817,000	$ 4,767,000

Aerosonic Corporation

P.O. Box 4627
Clearwater, Florida 33518
(813) 446-5904

Officers: Herbert J. Frank, president; Richard Frank, v.p.-engineering; William Parker, v.p.-production; David S. Goldman, secretary & treasurer; Barbara Filliott, controller; John Fehn, asst. secretary.

Directors: Herbert J. Frank, David S. Goldman, Charles F. Burley, Miriam Frank, Anthony Atwell.

Areas of Work: Engaged in the research, manufacture and overhaul of aircraft instrumentation. Sells a complete line of instrumentation with altimeters representing a major portion of total sales.

Transfer Agent(s):

Aerosonic Corporation
Clearwater, Florida

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ASON (NASDAQ)

Number of Employees:

1981	315	1979	253
1980	334	1978	218

Plant Footage:

1981	33,000 sq. ft.	1979	30,000
1980	33,000	1978	30,000

Sales and Earnings

	Net Sales	Net Income
1981	$ 8,660,774	$ 243,885
1980	8,620,923	427,516
1979	7,124,208	255,538
1978	5,730,302	(2,022,808)
1977	5,489,435	181,994

	No. of Com. Shares ‡	Earn. per Share ‡
1981	3,985,684	$0.06
1980	3,605,784	0.12
1979	3,541,666	0.07
1978	3,546,440	—
1977	3,503,696	0.05

(Loss)
# Based on weighted average number of common shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981		—	2-for-1
1980	—	—	—
1979	—	—	2-for-1
1978	—	—	—
1977	$0.06	—	—

Common Stock Equity

	Total Equity	Equity Per Share †
1981	$ 5,695,675	$1.43
1980	5,413,470	1.50
1979	3,994,645	1.13
1978	3,726,636	1.05
1977	5,931,137	1.69

† Adjusted to reflect stock splits.

Income Account *

Year ended Jan. 31	1981	1980
Net sales	$ 8,660,774	$ 8,620,923
Cost of sales	6,402,646	6,343,346
Expenses	1,871,954	1,680,529
Interest expense	24,022	109,729
Gain (loss) on sale of assets	(15,267)	214,197
Income before taxes	$ 346,885	$ 701,516
Income taxes	103,000	274,000
Net Income	$ 243,885	$ 427,516

* Included in Costs and Expenses, Depreciation and Amortization: $284,625 in 1980 and $340,242 in 1979.

Assets

As of Jan. 31	1981	1980
Cash	$ 121,983	$ 386,389
Accts. receiv., net	1,042,137	1,303,078
Notes & other receiv.	199,319	9,485
Refundable income taxes	74,911	—
* Inventories	4,715,293	4,350,321
Prepaid expenses	40,725	46,217
Advances	27,341	94,532
Current Assets	$ 6,221,709	$ 6,190,022
# Fixed assets	1,665,540	1,451,210
Other assets	393,344	455,060
Total Assets	$ 8,280,593	$ 8,096,292

Liabilities

Notes payable	$ 175,000	$ —
Long-term debt, curr.	228,568	134,696
Accts. payable	905,154	985,050
Accruals	309,154	377,711
Income taxes	—	72,627
Deferred income taxes	22,400	—
Curr. Liabilities	$ 1,640,164	$ 1,570,084
Long-term debt	649,840	755,426
Def. inc. taxes	294,914	357,312
+ Common stock	1,594,505	795,282
Add. paid-in capital	3,174,354	3,942,013
Retained earnings	926,939	683,054
Treasury stock	(123)	(6,879)
Total Liabilities & Shareholders' Equity	$ 8,280,593	$ 8,096,292

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.40 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.01	8.14
%Net Income to Sales	2.82	4.96
%Net Income to Equity	4.28	7.90
Sales to Inventories	1.84	1.98
Working Capital	$ 4,581,545	$ 4,619,938
Current Ratio	3.79	3.94
Shareholders' Equity	$ 5,695,675	$ 5,413,470

AES Technology Systems, Inc.

140 Lively Boulevard
Elk Grove Village, Illinois 60007
(312) 437-3084

Officers: Martin T. Abrams, chairman of the board, exec. v.p. & treasurer; Lee A. Goldboss, president; Sidney A. King, secretary.

Directors: Martin T. Abrams, chairman; Lee A. Goldboss, Sidney A. King.

Areas of Work: An engineering firm which produces custom data recording systems. Specializes in designing machines with industry-wide applications to automatic handling, reproduction, and recording of large quantities of documents.

Subsidiaries:

Game Plan, Incorporated
Manufactures custom designed pinball machines.

Transfer Agent(s):

Continental Illinois National Bank and Trust Company of Chicago
Chicago, Illinois

Stock Exchange(s): Over-the-Counter

Ticker Symbol: AEST (NASDAQ)

Number of Employees:

1979	330	1978	145

Plant Footage:

1980	80,000 sq. ft.	1978	100,000
1979	80,000		

Sales and Earnings

	Revenues	Net Income
1980	$ 12,061,026	$ (5,702,784)
1979	7,622,434	(1,321,931)
1978	3,451,431	(165,676)
1977	3,026,815	199,806
1976	2,534,644	(251,220)

	No. of Com. Shares ‡	Earn. per Share ‡
1980	4,945,528 +	$ —
1979	4,520,336	—
1978	4,445,992	—
1977	4,480,996	0.04
1976	4,440,520	—

(Loss)
‡ Based on weighted average number of shares outstanding.
+ Based on the number of shares outstanding at year-end.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ (4,660,022)	—
1979	712,512	$0.16
1978	1,861,855	0.42
1977	2,020,079	0.45
1976	1,820,273	0.41

(Deficiency)
‡ Based on weighted average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended June 30	1980	1979
Equip. rentals	$ 3,962,526	$ 3,815,678
Sale of equipment	8,097,389	3,760,594
Other income	1,111	46,162
Revenues	$ 12,061,026	$ 7,622,434
Cost of sales	10,116,329	3,489,885
Lease oper. expenses	2,513,626	2,458,343
Expenses	3,992,816	2,749,930
Interest expense	1,159,539	255,607
Loss before taxes	$ (5,721,284)	$ (1,331,331)
Tax credit	(18,500)	(9,400)
Net Loss	$ (5,702,784)	$ (1,321,931)

* Included in Costs and Expenses, Depreciation and Amortization: $600,398 in 1980 and $437,273 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 56,115	$ 375,671
Accts. receiv., net	1,210,138	1,412,874
Advances to officers & employees	114,893	77,984

Note receivable, curr.	12,500	—
*Inventories	1,705,879	1,719,552
Prepaid expenses & other assets	101,294	72,686
Current Assets	$ 3,200,819	$ 3,658,767
Rental equip.	1,405,232	1,228,063
#Fixed assets	1,718,983	1,679,289
Other assets	1,042,581	1,010,421
Total Assets	$ 7,367,615	$ 7,576,540
Liabilities		
Notes payable	$ 4,900,000	$ 3,050,000
Long-term debt, curr.	94,453	96,042
Accts. payable	2,734,756	1,341,252
Income taxes	3,079	29,113
Sundry liabilities	565,990	294,853
Curr. Liabilities	$ 8,298,278	$ 4,811,260
Long-term debt	3,729,359	2,034,268
Deferred inc. taxes	—	18,500
+ Common stock	49,742	46,302
Add. paid-in capital	2,346,084	2,019,274
Retained earnings (deficit)	(7,010,485)	(1,307,701)
Treasury stock	(45,363)	(45,363)
Total Liabilities & Shareholders' Equity	$ 7,367,615	$ 7,576,540

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.01 par value.

AFA Protective Systems, Inc.

519 Eighth Avenue
New York, New York 10018
(212) 279-5000

Officers: Philip Kleinman, chairman & chief executive officer; Reginald C. Miller, president & chief operating officer; Robert D. Kleinman, exec. v.p., secretary & general counsel; Raymond S. Greenberger, controller & assistant secretary.

Directors: Robert S. Heller, Philip Kleinman, Alfred J. Koeppel, Reginald C. Miller, Alfred G. Seddon, Harry F. Weyher, Richard D. Kleinman, Robert K. Kleinman, Leon Sicular.

Areas of Work: Engaged in the distribution and installation of alarm devices and systems, including a time and frequency division multiplex signal transmission system. Provides central station protective services.

Divisions:

Merchants Alarm Division
270 Turnpike Street
South Easton, Massachusetts 02375
(617) 238-6665

Transfer Agent(s):

Bradford Trust Company
1 Executive Drive
Fort Lee, New Jersey 07024

Stock Exchange(s): Over-the-Counter

Ticker Symbol: AFAP (NASDAQ)

Number of Employees:

1980	264	1977	238
1979	264	1976	242
1978	240		

Sales and Earnings

	Sales & Revenues	Net Income
1980	$ 12,086,004	$ 396,321
1979	10,185,817	374,400
1978	9,467,121	376,860
1977	8,969,822	352,454
1976	8,516,632	344,356

	No. of Com. Shares	Earn. per Share #
1980	404,997	$0.98
1979	404,997	0.91
1978	466,077	0.81
1977	465,577	0.76
1976	464,589	0.57

# Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.44	—	—
1979	0.44	—	—
1978	0.44	—	—
1977	0.41	—	—
1976	0.40	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,363,502	$5.84
1979	2,145,380	5.30
1978	2,790,789	5.99
1977	2,617,323	5.62
1976	2,452,293	5.28

Income Account *

Year ended Dec. 31	1980	1979
Revenues	$ 12,086,004	$ 10,185,817
Other income	71,333	94,445
Total income	$ 12,157,337	$ 10,280,262
Cost of sales	1,105,196	598,039
Cost of service	4,373,849	3,898,517
Expenses	3,303,315	2,973,411
Depreciation	1,191,030	1,017,300
Rental of signal lines	1,484,973	1,182,117
Interest expense	53,653	23,478
Income before taxes	$ 645,321	$ 587,400
Income taxes	249,000	213,000
Net Income	$ 396,321	$ 374,400

Assets

As of Dec. 31	1980	1979
Cash	$ 820,175	$ 83,662
Marketable securities	274,383	340,392
Accts. & notes receiv., net	1,346,640	955,221
Prepaid insurance	292,040	274,381
* Inventories	204,554	150,089
Other assets	28,411	105,715
Current Assets	$ 2,966,203	$ 1,909,460
Installment materials	789,943	613,876
# Fixed assets	6,593,423	6,317,829
Other assets	129,051	174,354
Total Assets	$ 10,478,620	$ 9,015,519
Liabilities		
Long-term debt, curr.	$ 106,713	$ 94,982
Accts. payable	1,205,118	1,060,780
Income taxes payable	186,058	9,441
Other accrued liabilities	769,552	477,888
Curr. Liabilities	$ 2,267,442	$ 1,643,091
Long-term debt	383,438	490,151
Deferred income	4,597,339	3,837,838
Deferred inc. taxes	866,899	899,059
+ Common stock	404,997	404,997
Add. paid-in capital	786,055	786,055
Retained earnings	1,172,450	954,328
Total Liabilities & Shareholders' Equity	$ 10,478,620	$ 9,015,519

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	5.34	5.77
%Net Income to Revenues	3.28	3.68
%Net Income to Equity	16.77	17.45
Working Capital	$ 698,761	$ 266,369
Current Ratio	1.31	1.16
Shareholders' Equity	$ 2,363,502	$ 2,145,380

Akzona Incorporated

(66% owned by Akzo N.V., Netherlands)
P.O. Box 2930
Ashville, North Carolina 28802
(704) 253-6851

Officers: Claude Ramsey, chairman of the board & president; Maurice H. Winger, Jr., vice president; Vinson A. Parsons, vice president & controller; Harold C. Enloe, v.p.; Robert B. Polak, v.p.-corp. development; Thomas J. Troup, v.p. & treasurer; Met R. Poston, vice president & general counsel; David J. Conroy, secretary.

Directors: Harold J. Berry*, G. John Coli, Aarnout A. Loudon, Manson Meads, Edward M. O'Herron, Jr., G. Kraijenhoff, Claude Ramsey, Thomas J. Troup, John F. Watlington, Jr., Maurice H. Winger, Jr., John L. Ryon, Jr., Frederick Seitz*, Heine J. Kruisinga, Betty Kennedy, John E. McConnaughy, Jr., Johannes A. Wolhoff, Charles W. Coker, Jr., Adolf G. van den Bos*, Hans Gunther Zempelin.

*Member of Executive Committee.

Subsidiaries:

Brand-Rex Company
Willimantic, Connecticut
Electrical wire and cable, power cords and electrical interconnecting assemblies, electrical/electronic connectors, electrical construction insulating materials, and telecommunications products and systems.

Abbott & Company
Marion, Ohio

Garry Manufacturing Co.
New Brunswick,New Jersey

Nonotuck Manufacturing Company
South Hadley, Massachusetts

General Circuits Company
Rochester, New York

Pyle-National Company
Chicago, Illinois

Pyle-National of Canada, Ltd.
Mississanga, Canada

Pyle-National (U.K.) Ltd.
Nottingham, England

Teltronics Inc.
Lakeland, Florida

Brand-Rex Limited
Glenrothes, Scotland (joint venture)

American Enka Company
Enka, North Carolina
Nylon and polyester filament yarns and staple fiber, rayon staple fiber. Plantsare located in Enka and High Shoals, North Carolina; Lowland & Chattanoose, Tennessee and Clemson, South Carolina.

International Salt Company
Clarks Summit, Pennsylvania
Salt and salt products.

Antilles International Salt Co., N.V.
Bonaire, Netherlands Antilles

Iroquois Salt Products Ltd.
Montreal, Canada

Organon Inc.
West Orange, New Jersey
Pharmaceuticals, diagnostics and speciality chemicals.

Akzona Incorporated

Organon Canada Ltd.
Toronto, Canada

Organon Teknika Corp. (joint venture)
Oklahoma City, Oklahoma

Membrana Inc. (joint venture)
Chicago, Illinois

Ghia Corporation
Pleasonton, California

Armak Company
Chicago, Illinois
Fatty amines and derivatives, catalysts, esters, fatty acids, specialty chemicals, polymer additives organic peroxides, highway chemicals and pressure-sensitive tapes.

Noury Chemical Corporation
Burt, New York

Armak Chemicals Ltd.
Toronto, Canada

Armira Corporation
Sheboygan, Wisconsin
Fashion leathers.

Transfer Agent(s):

Wachovia Bank & Trust Company, N.A.
Winston-Salem, North Carolina

Stock Exchange(s): New York, Pacific, Amsterdam

Ticker Symbol: AXO

Number of Employees:

1980	15,910	1977	15,553
1979	15,413	1976	15,638
1978	15,340		

Sales and Earnings

	Net Sales	Net Income
1980	$1,054,015,000	$ 4,877,000
1979	1,012,398,000	25,647,000
1978	868,711,000	20,832,000
1977	808,847,000	7,523,000
1976	728,571,000	5,622,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	12,225,410	$0.40
1979	12,202,874	2.10
1978	12,311,464	1.69
1975	12,458,772	0.60
1976	12,449,546	0.45

‡ Based on average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Man-made fibers	$ 401,182	$ 407,742
Salt & salt products	111,338	132,495
Wire, cable & $ electrical prod.	267,924	207,981
Pharmaceutical & diagnostic prod.	39,109	38,795
Industrial chemicals & products	173,359	168,298
Leather	58,241	54,767
Corporate prod. develop.	2,862	2,320
Total	$ 1,054,015	$ 1,012,398

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.80	—	—
1979	0.80	—	—
1978	0.80	—	—
1977	1.10	—	—
1976	1.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$319,139,000	$26.08
1979	323,875,000	26.49
1978	307,790,000	25.21
1977	300,287,000	24.10
1976	306,594,000	24.60

Income Account*
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 1,054,015	$ 1,012,398
Other income	5,066	3,417
Total income	$ 1,059,081	$ 1,015,815
Cost of sales	860,725	799,305
Expenses	117,953	109,060
Depreciation & depletion	50,660	44,779
Interest expense	30,121	24,431
Income (loss) before taxes	$ (378)	$ 38,240
Income taxes (credit)	(5,255)	12,593
Net Income	$ 4,877	$ 25,647

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 5,403	$ 8,020
Marketable securities	12,268	10,508
Accts. receiv., net	166,294	166,113
Refundable income taxes	3,200	—
*Inventories	212,005	207,552
Prepaid expenses	3,688	3,332
Current Assets	$ 402,858	$ 395,525
# Fixed assets	412,009	402,178
Other assets	31,841	20,422
Total Assets	$ 846,708	$ 818,125

Liabilities

	1980	1979
Notes payable & long-term debt, curr.	$ 81,509	$ 60,779
Accts. payable & accruals	109,696	110,698
Income taxes	3,850	9,822
Curr. Liabilities	$ 194,605	$ 181,299
Long-term debt	250,218	225,601
Deferred credits	3,173	3,188
Deferred invest. tax credit	13,486	12,333
Deferred inc.taxes	66,087	71,829
+ Common stock	15,767	15,767
Add. paid-in capital	62,102	62,186
Retained earnings	247,980	252,886
Treasury stock	(6,710)	(6,964)
Total Liabilities & Shareholders' Equity	$ 846,708	$ 818,125

* At lower of standard cost (average) or market.
# Less accumulated depreciation and depletion.
+ $1.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	3.78
%Net Income to Sales	0.46	2.53
%Net Income to Equity	1.53	7.92
Sales to Inventories	4.97	4.88
Working Capital	$208,253,000	$214,226,000
Current Ratio	2.07	2.18
Shareholders' Equity	$319,139,000	$323,875,000

Alarm Products International, Inc.

24-02 40th Avenue
Long Island City, New York 11101
(212) 937-4900

Officers: Phillip DeZwirek, chairman of the board; Charles F. Eisenhardt, Jr., president & treasurer; Manuel Lopez, v.p. & secretary.

Directors: Phillip DeZwirek, chairman of the board; Charles Eisenhardt, Jr., Philip Parlato.

Areas of Work: Engaged in the manufacture and sale of burglar and fire alarm equipment to installing dealer contractors and through wholesale distributors.

Subsidiaries:

Judy-Lynn Metal Craft, Inc.
Products include: panel boards, sensor devices, impulse dialers, vibration contact devices and door cords.

PLC Electronics, Inc.
Marketing and distribution subsidiary.

Transfer Agent(s):

American Stock Transfer Company
15 William Street
New York, New York 10005

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ALPI (NASDAQ)

Number of Employees:

1980	48	1979	51

Plant Footage:

1980	16,000 sq. ft.	1979	16,000

Sales and Earnings

	Net Sales	Net Income
1980	$ 1,168,179	$ 64,894
1979	2,241,784	15,546
1978	2,185,695	(29,082)
1977	2,455,736	53,360
1976	2,408,104	12,385

	No. of Com. Shares +	Earn. per Share +
1980	541,884	$0.12
1979	559,884	0.03
1978	559,884	—
1977	559,884	0.10
1976	559,884	0.02

(Loss)
+ Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 613,087	$1.13
1979	566,523	1.01
1978	550,977	0.98
1977	580,059	1.04
1976	526,699	0.94

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 1,168,179	$ 2,241,784
Cost of sales	707,641	1,510,649
Expenses	369,987	653,431
Interest expense	11,602	61,555
Income before taxes	$ 78,949	$ 16,149
Income taxes	14,055	603
Net Income	$ 64,894	$ 15,546

* Included in Costs and Expenses, Depreciation and Amortization: $16,858 in 1980 and $39,473 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 54,060	$ 18,969
Accts. receiv., net	306,854	279,553
Refundable taxes	—	20,364
*Inventories	601,657	566,592
Prepaid expenses	32,528	36,005

Current Assets	$ 995,099	$ 921,482
#Fixed Assets	220,143	90,031
Intangibles & other assets	13,155	44,654
Total Assets	$ 1,228,397	$ 1,056,167
Liabilities		
Due to Lincoln Corp.	$ 146,809	$ 217,279
Notes payable	5,825	4,602
Mortg. pay., curr.	14,024	—
Accts. payable	300,537	214,524
Accruals & taxes	20,453	16,480
Income taxes	5,203	3,934
Deferred inc. taxes	12,998	11,731
Curr. Liabilities	$ 505,849	$ 468,550
Mortg. pay.	91,953	—
Notes payable	11,664	12,338
Deferred inc. taxes	5,844	8,756
+Common stock	55,988	55,988
Add. paid-in capital	296,719	296,719
Retained earnings	279,211	213,816
Treasury stock	(18,831)	—
Total Liabilities & Shareholders' Equity	$ 1,228,397	$ 1,056,167

* At lower of cost or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.76	0.72
%Net Income to Sales	5.56	0.69
%Net Income to Equity	10.58	2.74
Sales to Inventories	1.94	3.96
Working Capital	$ 489,250	$ 452,932
Current Ratio	1.97	1.97
Shareholders' Equity	$ 613,087	$ 566,523

Allegheny International

(formerly Allegheny Ludlum Industries, Inc.)

Two Oliver Plaza
Pittsburgh, Pennsylvaia 15222
(412) 562-4000

Officers: Robert J. Buckley, chairman of the board, president, and chief executive officer; Clayton A. Sweeney, exec. v.p. and chief administrative officer; Graemer K. Hilton, exec. v.p. and chief financial officer; Raymond S. Fries, exec. v.p. and president-General Industry Group; Alan H. Anderson, v.p. and president-Transportation Group; E.F. Andrews, v.p.-materials & services; F.F. Babb, v.p. & treasurer; Arthur J. Dalton, v.p.-management information systems; James T. Dougherty, v.p., general counsel, & secretary; William A. Kirkpatrick, v.p.-corporate developement; Christopher Lewinton, v.p. & group executive; Thomas P.Maletta, v.p.-taxes; George C. Oehmler, v.p.-international; John D. Paulus, v.p.-public relations & public affairs; F. George Scott, v.p.-human resources; Fred B. Smith, v.p. & controller.

Directors: E.J. Hanley, Roger S. Ahlbrandt, Bruce Bowden*, Clayton A. Sweeney, John T. Ryan, Jr.*, Robert J. Buckley*, B.R. Dorsey*, Raymond S. Fries, E.J. Hanley, Graemer K. Hilton, William H. Wendel, Richard M. Cyert, C. Lewinton.

*Member of Executive Committee.

Divisions and Subsidiaries:

Metals Group

Almet, Inc.
75 Claremont Road
Bernardsville, New Jersey 07924
(201) 766-7800
Trader of ferroalloys, metals and other materials

Alloy Rods Division*
P.O. Box 517
Hanover, Pennsylvania 17331
(717) 637-8911
Manufacturers consumable welding products.

Special Metals Corporation
Middle Settlement Road
New Hartford, New York 13413
(315) 798-2900
Produces high-purity, vacuum-melted superalloy billets, bars and remelt ingotsfor forgings and castings.

Swan Manufacturing Corporation
164 Franklin Avenue
Rockaway, New Jerey 07866
(201) 627-5600
Fabricates custom pipe and tubing from various different metals.

Tube Turns Division*
2900 West Broadway
Louisville, Kentucky 40201
(502) 774-6011
Produces pipe expansion joints, elbows, fittings and custom forgings.

A-L Industries Export Corporation
Oliver Building
Pittsburgh, Pennsylvaia 15222
(412) 562-4044

Allegheny Ludlum Research Center
Natrona Heights, Pennsylvania 15065
(412) 226-2000

General Industry Group

Cardox Division*
5230 Southeast Avenue
Countryside, Illinois 06525
(312) 482-8400
Produces carbon dioxide for industrial and consumer uses.

Process Equipment Division*
P.O. Box 35600
Louisvlle, Kentucky 40232
(502) 491-4310
Manufactures heat exchangers, filters, fiuters, mixers, conveyors, deodorizersand other equipment.

Fire Systems Divsion*
Route 50 and Governors Highway
Monee, Illinois 60449
(312) 534-1000
Engineers fire detection and suppression systems.

Railway Products Division*
111 East Wacker Drive
Chicago, Illinois 60601
(312) 565-5450
Supplies automatic, continuous railwelding machines and service.

Medical Products Division*
1801 Lilly Avenue
St. Louis, Missouri 63110
(314) 771-2400
Produces medical oxygen and gas piping systems, respiratory therapy and other patient care equipment for hospitals and medical care facilities. Makes dental delivery units, chairs, hand instruments and sedation equipment for the dental industry.

Universal X-Ray Division*
4014 West Grand Avenue
Chicago, Illinois 60651
(312) 276-4487
Manufactures medical, dental, podiatry and veterinary x-ray machines.

Carmet Company
Two Oliver Plaza
Pittsburgh, Pennsylvania 15222
(412) 562-4180
Produces tool and die components and other carbide parts.

IPM Corporation
2100 Advance Avenue
Columbus, Ohio 43207
(614) 443-4833
Specializes in powdered metal parts used in minicomputer switch mode power units.

Standard-Thomson Corporation
152 Grove Street

Waltham, Massachusetts 02154
(617) 894-7310
Car and truck thermostat, electrical parts and bellows control devices.

Magnetic & Electronics, Inc.
Railroad and West Streets
Marengo, Illinois 60152
(815) 568-2000
Electrical and electronic components for the aerospace, communications and automotive industries. Included are magnets for fractional horsepower motors, lead frames for electronic products, hi-fi speakers magnets, electronic testing equipment, digital tape transports and magnetic cores for communications equipment.

HTL Industries, Inc.
(Jointly owned by AI & Wilkinson)
101 East Wheeler Avenue
Arcadia, California 91006
(213) 574-7880
Manufactures products that sense, measure and control fluids and gases, fire suppression systems and valves.

Other Subsidiares

Allgheny Ludlum Acceptance Corporation
2625 Concord Pike
Wilmington, Delaware 19803
Allegheny Ludlum Credit Corporation
Two Oliver Plaza
Pittsburgh, Pennsylvania 15222

* A division of:

Chemetron Corporation
Two Oliver Plaza
Pittsburgh, Pennsylvania 15222

Affiliates:

Titanium Metals Corporation of America (50% owned)
Timet Division
P.O. Box 2824
Pittsburgh, Pennsylvania 15230
(412) 262-4200
Produces titanium sponge and solid metal forms.

Standard Steel Division
Burnham, Pennsylvania 17009
(717) 248-4911
Produces industrial rings, dies, open die forgings, railroad wheels and axes, and tool steels.

True Temper Corporation (100% owned by Wilkinson)
1623 Euclid Avenue
Cleveland, Ohio 44115
(216) 696-3366
Manufactures hardware, lawn and garden tools, golf club heads and shafts and metal tennis racquet frames. Also produces rail anchors and maintenance-of-way products.

Liquid Air Corporation of North America (32.7% owned)
Nationwide producer of air separation gases, principally oxygen, nitrogen, argon, and acetylene.

Acquisition(s):

Wilkinson Match, Ltd.
13 Stanhope Gate Park Lane
London W1Y5LB England
Manufactures and markets consumer products such as razor blades, matches, sunglasses, scissors and tooth brushes; safety and protection systems for aircraft, marine vessels and armored land vehicles.

Schenuit Industries, Inc.
Manufactures exercise and fitness equipment including exercise bikes and treadmills.

C.J. Kennedy Company
Manufactures tape and disc drives for data storage and retrieval systems.

Allegheny International

Transfer Agent(s):

Mellon Bank, N.A.
Mellon Square
Pittsburgh, Pennsylvania 15230

Stock Exchange(s): New York, Amsterdam

Ticker Symbol: AG

Number of Employees:

1980	27,500	1977	22,092
1979	19,914	1976	16,150
1978	19,397		

Sales and Earnings

	Net Sales +	Net Income
1980	$923,500,000	$ 45,895,000
1979	850,300,000	71,527,000
1978	753,800,000	33,374,000
1977	398,900,000	25,432,000
1976	329,800,000	7,001,000

	No. of Com. Shares †	Earn. per Share ‡ †
1980	7,310,407	$4.11
1979	7,080,513	7.30
1978	7,128,339	2.10
1977	7,295,233	2.53
1976	7,241,549	0.14

+ Of continuing operations only.
‡ Based on the average number of shares outstanding.
‡ Adjusted to reflect stock split.

Revenues By Line of Business

	1980	1979
Specialty steels & alloys	$227,527,000	$187,407,000
Piping components	106,282,000	112,480,000
Industrial gases	122,773,000	136,657,000
Industrial prods.	226,741,000	201,478,000
Other prods.	240,205,000	212,268,000
Total	$923,528,000	$850,290,000

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$1.40	—	—
1979	1.31	—	—
1978	1.28	—	—
1977	1.28	—	—
1976	1.22	—	3-for-2

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$283,782,000	$35.83
1979	250,638,000	32.09
1978	209,896,000	25.96

‡ After allowing for preferred stock at involuntary liquidation value.

Income Account *
(000's)

Year ended	12/28/80	12/30/79
Net sales	$ 923,528	$ 850,290
Other income	13,963	12,266
Close down of for. oper.	(3,900)	(2,100)
Total Income	$ 933,591	$ 860,456
Cost of sales	674,014	621,647
Expense	163,359	143,055
Depreciation & amortization	20,188	18,936
Interest expense	41,840	35,733
Income before taxes	$ 34,190	$ 41,085
Income taxes	13,153	23,108
Equity earnings	(45,839)	(28,126)
Income from cont. oper.	$ 66,876	$ 46,103
Income (loss) from discont. oper.	(20,981)	25,424
Net Income	$ 45,895	$ 71,527

Assets
(000's)

As of	$ 12.28/80	$ 12/30/79
Cash	18,203	1,513
Short-term invest.	5,614	12,715
Noes & accts. receiv., net	294,784	167,603
* Inventories	337,263	168,998
Prepaid expenses	19,063	7,958
Assets of discont. oper.	—	167,336
Current Assets	$ 674,927	$ 526,123
Long-term receiv. & other invest.	135,252	21,810
Investments & advances	143,467	209,637
# Fixed assets	343,788	346,287
Other assets & intangibles	63,894	36,308
Total Assets	$ 1,361,328	$ 1,140,165

Liabilities
(000's)

Short-term borrowings	$ 60,821	$ 8,666
Long-term debt, curr.	18,584	9,075
Accts. payable	134,646	70,248
Accruals	92,038	29,127
Accrued payroll	72,556	31,399
Income taxes	26,036	33,227
Liab. of discont. oper.	—	80,231
Curr. Liabilities	$ 404,681	$ 261,973
Long-term debt	381,044	314,265
Long-term debt of discont. oper.	—	28,359
Long-term liab.	46,336	16,601
Deferred inc. taxes	22,620	17,657
Other lib. of discont. oper.	—	31,043
Minority interest	30,722	—
+ Redeemable pref. stock	116,521	115,432
+ + Preferred stock	1,260	1,737
+ + + Common stock	5,603	5,113
Add. paid-in capital	82,698	82,085
Retained earnings	300,351	280,787
Treasury stock	(30,508)	(14,887)
Total Liabilities & Shareholders' Equity	$ 1,361,328	$ 1,140,165

* At lower of cost (LIFO and FIFO) or market.
# Less accumulated depreciation.
+ No par value.
+ + $1 par value; $3 convertible.
+ ; + $0.66⅔ pr value.

Statistical Summary

%Net Income to Equity	12.77	20.16
Sales to Inventories	2.74	6.37
Working Capital	$270,246,000	$264,150,000
Current Ratio	1.67	2.01
Shareholders' Equity	$359,404,000	$354,835,000

Allen Organ Company

Macungie, Pennsylvania 18062
(215) 966-2200

Officers: Jerome Markowitz, president & treasurer; Robert Pearce, vice president-sales; Eugene Moroz, vice president-production & asst. secretary; Leonard W. Helfrich, secretary & asst. treasurer.

Directors: Jerome Markowitz, Robert Pearce, Eugene Moroz, Fred Pillsbury, Leonard W. Helfrich, Steven Markowitz.

Areas of Work: Manufactures electronic musical instruments.

Subsidiaries:

Allen Organ International, Inc. (DISC)
Macungie, Pennsylvania

Rocky Mount Instruments Inc.
Rocky Mount, North Carolina
(919) 442-8068

Transfer Agent(s):

Provident National Bank
17th & Chestnut Streets
Philadelphia, Pennsylvania 19103

Stock Exchange(s): Over-the-Counter

Ticker Symbol: AORG (NASDAQ)

Number of Employees:

1980	565	1977	564
1979	565	1976	500
1978	564		

Plant Footage:

1980	287,000 sq. ft.	1977	265,000
1979	287,000	1976	260,000
1978	265,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 17,348,505	$ 2,078,818
1979	15,990,164	1,792,742
1978	15,159,397	1,921,383
1977	13,489,514	1,573,615
1976	12,273,394	1,101,392†

	No. of Com. Shares #	Earn. per Share +
1980	564,802	$3.68
1979	564,802	3.17
1978	547,404	3.41
1977	546,489	2.80
1976	533,083	1.91†

# Class A and Class B shares combined.
+ Based on average number of shares outstanding adjusted to reflect stock dividends.
† Including extraordinary credit of $451,796 ($0.83 per share).

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.47	—	—
1979	0.45	3%	—
1978	0.43	—	—
1977	0.35	2%	—
1976	0.42	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 14,909,478	$26.40
1979	13,094,991	23.19
1978	11,539,665	21.08
1977	9,841,460	18.00
1976	8,432,919	15.82

Income Account *

Year ended Dec. 31	1980	1979
Net Sales	$ 17,348,505	$ 15,990,164
Cost of sales	11,463,466	10,767,456
Expenses	2,438,423	2,157,375
Other income	(671,202)	(496,409)
Income before taxes	$ 4,117,818	$ 3,561,742
Income taxes	2,039,000	1,769,000
Net Income	$ 2,078,818	$ 1,792,742

* Included in Costs and Expenses, Depreciation: $338,039 in 1980 and $295,417 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 1,304,562	$ 785,264
Marketable securities	3,873,186	2,392,502
Accts & notes receiv.,net	2,063,960	2,185,767
*Inventories	5,637,046	4,915,879
Prepaid expenses	17,675	19,589
Deferred inc. taxes	30,000	27,000
Current Assets	$ 12,926,429	$ 10,326,001
#Fixed assets	3,061,733	3,184,384
Other assets	429,039	407,918
Total Assets	$ 16,417,201	$ 13,918,303

Liabilities

	1980	1979
Accts. payable	$ 144,808	$ 131,342
Accruals	267,505	297,934
Customers' deposits	222,676	149,125
Income taxes	404,954	60,984
Deferred income	—	57,931
Curr. Liabilities	$ 1,039,943	$ 697,316
Long-term liabilities	284,788	—
Deferred compensation	182,992	125,996
+ Common stock:		
Class A	48,365	48,365
Class B	533,208	533,208
Add. paid-in capital	3,590,380	3,580,057
Retained earnings	10,856,399	9,043,152
Treasury stock	(118,874)	(109,791)
Total Liabilities & Shareholders' Equity	$ 16,417,201	$ 13,918,303

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	23.74	22.27
%Net Income to Sales	11.98	11.21
%Net Income to Equity	13.94	13.69
Sales to Inventories	3.08	3.25
Working Capital	$ 11,886,486	$ 9,628,685
Current Ratio	12.43	14.81
Shareholders' Equity	$ 14,909,478	$ 13,094,991

Alpha Industries, Inc.

20 Sylvan Road
Woburn, Massachusetts 01801
(617) 935-5150

Officers: Andrew S. Kariotis, president & chief executive officer; Martin J. Reid, sr. v.p.; Anthony J. DeCarolis, Constantine Kamnitsis, David M. Milligan, vice presidents; Donald E. Paulson, secretary; Allan L. Coon, v.p., treasurer & chief financial officer.

Directors: George S. Kariotis, Zenon S. Zannetos, John M. Dempsey, Jr., Timothy X. Cronin, Alfred M. Bertocchi, Andrew S. Kariotis.

Areas of Work: Manufactures field effect transistors; semiconductors including mixers and detector diodes, junction varactor diodes, low-frequency tuning diodes, and capacitors; solid state microwave components such as microwave diode switches, low-frequency diode switches, microwave limiters, and attenuators; millimeter microwave products such as antennas, millimeter mixers and switches, test bench and ferrite components and subsystems, hybrid thick film RF/IF amplifiers.

Divisions:

Semiconductor Division
Solid State Control Components Division
TRG Division
Optimax Division

Subsidiaries:

C.F.P. Holding Co., Inc.
20 Sylvan Road
Woburn, Massachusetts 01801
(617) 935-5150
Real estate.

Credidyne Corporation
20 Sylvan Road
Woburn, Massachusetts 01801
(617) 935-5150
Sale of check verification equipment.

Acquisition(s):

Central Microwave Company
St. Charles, Missouri
Produces gallium arsenide millimeter and microwave signal sources.

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): American

Ticker Symbol: AHA

Number of Employees:

1980	610	1977	410
1979	525	1976	360
1978	460		

Plant Footage:

1980	153,000 sq. ft.	1977	90,000
1979	110,000	1976	90,000
1978	100,000		

Sales and Earnings

	Net Sales	Net Income‡
1980	$ 21,799,369	$ 1,872,731
1979	16,374,014	1,334,125
1978	12,171,097	1,147,764
1977	10,077,204	774,172
1976	7,837,762	211,844

	No. of Com. Shares#	Earn. per Share‡#
1980	1,978,000	$0.95
1979	1,932,000	0.69
1978	1,897,000	0.61
1977	1,834,000	0.42
1976	1,773,000	0.12

‡ Including extraordinary gains of $276,209 ($0.15 per share) in 1978, $246,583 ($0.13 per share) in 1977 and $5,350 in 1976.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.067	—	3-for-2
1979	0.067	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 8,314,895	$4.20
1979	5,981,819	3.10
1978	4,805,788	2.53
1977	3,541,766	1.93
1976	2,684,025	1.51

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *

Year ended March 31	1980	1979
Net sales	$ 21,799,369	$ 16,374,014
Cost of sales	13,874,974	10,566,040
Expenses	4,342,149	3,364,357
Interest expense	195,708	113,680
Other income	(112,193)	(81,438)
Income before taxes	$ 3,498,731	$ 2,411,375
Income taxes	1,626,000	1,077,250
Net Income	$ 1,872,731	$ 1,334,125

* Included in Costs and Expenses, Depreciation and Amortization: $591,831 in 1980 and $488,270 in 1979.

Assets

As of March 31	1980	1979
Cash	$ 319,806	$ 54,323
Cert. of deposit	—	646,626
Accts. receiv., net	5,197,692	3,522,603
*Inventories	3,652,214	2,269,728
Prepaid expenses	190,365	150,607
Current Assets	$ 9,360,077	$ 6,643,887
Investments	116,159	116,159
#Fixed assets	5,495,843	3,548,698
Defer. charges & other assets	87,244	68,891
Total Assets	$ 15,059,323	$ 10,377,635

Liabilities

	1980	1979
Notes payable	$ 800,000	$ —
Long-term debt, curr.	83,750	83,750
Accts. payable	1,679,718	1,013,027
Accruals	1,606,860	1,428,957
Curr. Liabilities	$ 4,170,328	$ 2,525,734
Long-term debt	2,126,688	1,466,000
Deferred income	16,395	31,209
Deferred inc. taxes	431,017	372,873
+ Common stock	543,024	518,249
Add. paid-in capital	2,236,838	1,727,393
Retained earnings	5,966,208	4,223,829
Treasury stock	(256,175)	(268,902)
Debt guarantee	(175,000)	(218,750)
Total Liabilities & Shareholders' Equity	$ 15,059,323	$ 10,377,635

* At lower of cost (FIFO) or market.
#Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	16.05	14.73
%Net Income to Sales	8.59	8.15
%Net Income to Equity	22.52	22.30
Sales to Inventories	5.97	7.21
Working Capital	$ 5,189,749	$ 4,118,153
Current Ratio	2.24	2.63
Shareholders' Equity	$ 8,314,895	$ 5,981,819

Altair Corporation

(63% owned by Chatham Corporation)
1000 Skokie Boulevard
Wilmette, Illinois 60091
(312) 256-7300

Officers: Gary Brainin, chairman of the board & president; John F. Guy, v.p.-finance;Albert Greene, v.p.; Robert J. Bond, Jr., secretary.

Directors: Robert J. Bond, Jr., Garry Brainin, George B. Collins, Albert Greene.

Altair Corporation

Subsidiaries:

Hurletron Altair, Inc.
1938 East Fairchild Street
Danville, Illinois 61832
(217) 446-6500

Manufacture and sale of printing and packaging control systems for commercial printers, magazine publishers and packaging companies.

Vacudyne Altair, Inc.
375 East Joe Orr Road
Chicago Heights, Illinois 60411
(312) 757-5200

Designs, manufactures and sells environmentally controlled process equipment.

Permacor Altair, Inc.
9540 South Tulley Avenue
Oak Lawn, Illinois 60453
(312) 422-3353

Manufactures powdered iron and ferrite tuning cores for television, auto radioand commercial communications manufacturers.

Harvest Industries, Inc. (67% owned)
1000 Skokie Boulevard
Wilmette, Illinois 60091
(312) 256-7515

Manufacture and sale of animal feed and feed supplements and distribution of animal health care products in the Central and Western states.

Transfer Agent(s):

American National Bank & Trust Co. of Chicago
33 North LaSalle Street
Chicago, Illinois 60690

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ALTA (NASDAQ)

Sales and Earnings

	Net Sales	Net Income #
1980	$ 51,278,000	$ 1,355,000
1979	47,248,000	1,275,000
1978	44,163,000	1,412,000
1977	28,968,000	853,000
1976	13,636,000	1,104,000

	No. of Com. Shares †	Earn. per Share † #
1980	1,201,003 +	$1.11
1979	1,263,000	1.01
1978	1,316,000	1.07
1977	1,338,000	0.64
1976	1,339,000	0.82

# Including extraordinary credits of $76,000 ($0.06 per share) in 1976.

† Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

+ Based on the number of shares outstanding at year end.

Revenues By Line of Business

	1980	1979
Electronic process equip. & controls	$ 13,122,000	$ 12,821,000
Animal agribusiness	38,156,000	34,427,000
Total	$ 51,278,000	$ 47,248,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	—
1978	—	—	—
1977	—	—	—
1976	—	3%	—

Common Stock Equity

	Total Equity	Equity Per Share†
1980	$ 10,453,000	$8.70 +
1979	9,235,000	7.31
1978	8,224,000	6.25
1977	6,898,000	5.16
1976	6,054,000	4.52

† Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

+ Based on the number of shares outstanding at year end.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 51,278,000	$ 47,248,000
Cost of sales	41,175,000	37,401,000
Expenses	6,796,000	6,708,000
Interest expense	220,000	241,000
Other income	(313,000)	(165,000)
Income before taxes	$ 3,400,000	$ 3,063,000
Income taxes	1,683,000	1,545,000
Minority interest	362,000	243,000
Net Income	$ 1,355,000	$ 1,275,000

* Included in Costs and Expenses, Depreciation: $965,000 in 1980 and $856,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 4,532,000	$ 2,684,000
Accts. receiv., net	4,527,000	4,694,000
* Inventories	4,000,000	3,518,000
Prepaid expenses	241,000	291,000
Assets of discont. oper.	156,000	156,000
Current Assets	$ 13,456,000	$ 11,343,000
# Fixed assets	5,242,000	5,510,000
Other assets	2,123,000	2,171,000
Total Assets	$ 20,821,000	$ 19,024,000

Liabilities

	1980	1979
Long-term debt, curr.	$ 714,000	$ 409,000
Accts. payable	2,350,000	2,213,000
Accruals	1,049,000	1,024,000
Customer advances	1,371,000	409,000
Income taxes	542,000	399,000
Curr. Liabilities	$ 6,026,000	$ 4,454,000
Long-term debt	1,363,000	2,197,000
Deferred inc. taxes	302,000	229,000
Deferred Compensation	19,000	—
Minority interest	2,658,000	2,909,000
+ Common stock	362,000	362,000
Add. paid-in capital	3,643,000	3,643,000
Retained earnings	7,383,000	6,028,000
Treasury stock	(935,000)	(798,000)
Total Liabilities & Shareholders' Equity	$ 20,821,000	$ 19,024,000

* At lower of cost (FIFO) or market.

# Less accumulated depreciation.

+ $0.25 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	6.63	6.48
%Net Income to Sales	2.64	2.70
%Net Income to Equity	12.96	13.81
Sales to Inventories	12.82	13.43
Working Capital	$ 7,430,000	$ 6,889,000
Current Ratio	2.23	2.55
Shareholders' Equity	$ 10,453,000	$ 9,235,000

Altec Corporation

1515 South Manchester Avenue
Anaheim, California 92803
(714) 774-2900

Officers: William L. Fowler, president & chief executive officer; Vincent P. Lo Monaco, v.p.-operations; Victor Rosenblatt, secretary & general counsel; Willis R. Threlkeld, treasurer & controller

Directors: Alvis A. Ward, LeRoy Erickson, Eugene C. Huebschmann, William L. Fowler, Willis R. Threlkeld, Paul Thayer, Richard W. Gay.

Areas of Work: Develops, produces and sells sound and communications equipment consisting of industrial/professional sound equipment, home high fidelity speakers, musical sound equipment and intercommunications systems.

Divisions and Subsidiaries:

Altec Lansing Sound Products Division
1515 South Manchester Avenue
Anaheim, California 92803
(714) 744-2900

Responsible for domestic sales of consumer high fidelity commercial products.

Altec Lansing International Division
1515 South Manchester Avenue
Anaheim, California 92803
(714) 744-2900

Responsible for domestic sales of consumer high fidelity and musical sound products as well as the sale of all Altec products outside the United States.

Transfer Agent(s):

First City Bank of Dallas
Dallas Texas

Stock Exchange(s): American

Ticker Symbol: ALE

Sales and Earnings

	Net Sales†	Net Income +
1980	$ 40,535,000	$ (334,000)
1979*	42,784,000	555,000
1978	36,877,000	514,000
1977	34,224,000	(413,000)
1976	34,284,000	(8,053,000)

	No. of Com. Shares	Earn per Share ‡ +
1980	5,422,074	$ —
1979	5,421,370	0.05
1978	5,419,509	0.04
1977	5,419,457	—
1976	5,419,222	—

(Loss)

*53 weeks

† Of continuing operations.

‡ Based on weighted average number of common shares outstanding.

+ Including extraordinary gains of $328,000 ($0.06 per share) in 1976, and restated to reflect capitalization of leases.

Income Account *

Year ended	9/28/80	9/30/79 (53 weeks)
Net sales	$ 40,535,000	$ 42,784,000
Cost of sales	29,603,000	31,048,000
Research & develop.	593,000	764,000
Expenses	8,881,000	8,375,000
Interest & debt exp.	2,143,000	1,934,000
Other income	(308,000)	(346,000)
Income (Loss) before taxes	$ (377,000)	$ 1,009,000
Income taxes(credit)	(43,000)	454,000
Net Income (Loss)	$ (334,000)	$ 555,000

*Including in Costs and Expenses, Depreciation $598,000 in 1980 and 527,000 in 1979.

Assets

As of	9/28/80	9/30/79
Cash	$ 144,000	$ 247,000
Accts.& notes receiv. net	8,483,000	8,839,000
*Inventories	17,396,000	13,916,000
Prepaid expenses and curr. assets	501,000	404,000
Current Assets	$ 26,524,000	$ 23,406,000
# Fixed assets	4,309,000	4,063,000
Debt expense	464,000	500,000
Other assets	536,000	482,000
Total Assets	$ 31,833,000	$ 28,451,000

Liabilities

Notes payable	$ 5,260,000	$ 2,750,000
Long-term debt.curr.	897,000	723,000
Accts. payable	3,635,000	3,539,000
Accruals	2,725,000	2,635,000
Income taxes	27,000	92,000
Curr. Liabilities	$ 12,544,000	$ 9,739,000
Long-term debt	13,790,000	13,253,000
+ Preferred stock	9,389,000	9,142,000
+ + Common stock	2,711,000	2,711,000
Add paid-in capital	1,861,000	1,486,000
Retained earnings	584,000	918,000
Treasury stock	(9,046,000)	(8,798,000)
Total Liabilities & Shareholders' Equity	$ 31,833,000	$ 28,451,000

*At lower of cost (average or accumulated) or market.
# Less accumulated depreciation.
+ $1.00 par value: Series B cumulative convertible.
+ + $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	2.36
%Net Income to Sales	—	1.30
Sales to Inventories	2.33	3.07
Working Capital	$ 13,980,000	$ 13,667,000
Current Ratio	2.11	2.40
Shareholders' Equity (deficit)	$ (3,890,000)	$ (3,683,000)

AM International, Inc.

(formerly Addressograph-Multigraph Corporation)

1900 Avenue of the Stars
Los Angeles, California 90067
(213) 556-9500

Officers: Roy L. Ash, chairman of the board; James R. Mellor, president; James H. Combes, sr. v.p.-finance & admn.; Alan Easton, v.p.-communications; Lawrence Grill, v.p., secretary & general counsel; Bruce T. Swan, v.p. & treasurer; Alfred T. Craft, v.p.'s & div. gen. mgrs.; Richard L. Kaufman, Robert H. Trenkamp, v.p.'s; Robert H. Lander, v.p. & controller.

Directors: Roy L. Ash*, chairman; John P. Birkelund, Pal E. Gray*, Frederick R. Eckley, James R. Mellor*, Richard M. Paget, Arthur F. Kelly.

*Member of Executive Committee.

Areas of Work: Research, design, manufacture, sales and service of Multilith (R) offset duplicators; copy/duplicating systems; collators, convenience office copiers; addressing and mail room equipment; tape-driven and direct entry phototypesetters, related modular software programs; management control systems; word processing systems; VDT editing and correcting photocomposition terminals and photocomposition input keyboard, photolettering machines; strike-on, cold-type composition machines; engineering drafting equipment and furniture; diazo and pressure diazo engineering copiers; micrographic equipment; data recorders; point-of-sale data collection and processing terminals for the food service and lodging industries; plastic credit cards; imprinters, ribbons and cartridges for typewriters and computer printers; typewriter and pencil carbon paper; copier toner and developer; and related supplies and materials.

Divisions and Subsidiaries:

AM Brunig
1834 Walden Office Square
Schaumburg, Illinois 60172
(312) 397-1900

Engineering graphics and reprographics equipment including diazo, pressure diazo copiers and whiteprinters, drafting machines and furniture, and micrographic equipment and systems.

AM Documentor Division
2921 South Daimler
Santa Ana, California 92711
(714) 546-3551

Transaction processing systems for use by the food service and lodging industries to perform point-of-sale data collection and accounting functions.

AM Services
1834 Walden Office Square
Schaumburg, Illinois 60196

Service of all company products in the United States and abroad; field administration, logistical support and distribution.

AM Multigraphics Division
1800 West Central Road
Mt. Prospect, Illinois 60056
(312) 398-1900

Offset duplicators, total copy systems integrating both copier and dupliator processes; convenience office copiers; addressing and mail room equipment; data recorders; electronic data transaction (funds transfer and credit authorization) devices, plastic credit cards.

AM Office Supplies Division
7209 St. Clair Avenue
Cleveland, Ohio 44103
(216) 391-6300

Ribbons and cartridges for typewriters and computer printers, inked rolls, typewriter and pencil carbon paper, solvent film carbon, copier toner and developer;

AM VariTyper Division
11 Mt. Pleasant Avenue
East Hanover, New Jersey 07936
(201) 887-8000

Tape-driven and direct entry phototypesetters, related modular software programs; VDT editing and correcting photocomposition terminal and photocomposition input keyboards; photolettering machines; strike-on, cold-type composition machines*, word processing systems.

AM Infortext
AM Addressoraph
Emeloid

AM Finance Corporation
835 Sterling Avenue
Palatine, Illinois 60076
(312) 991-7400

Finances certain equipment leases and installment purchase contracts for customers.

AM International Pty. Ltd.
Mulgrave, Australia

AM International S.A./N.V.
Brussels, Belgium

AM de Liege S.A.
Liege, Belgium

AM International Equipamentos Graphicos Ltda.
Rio de Janeiro, Brazil

AM International Inc.
Toronto, Canada

AM Internatioal S.A.
Brussels, Belgium

AM Export Corporation
Cleveland, Ohio 44143

AM International Information Systems A/S
Valby, Denmark

AM International G.m.b.H.
Frankfurt/Main, Germany

AM International Information Systems Limited
Hemel Hempstead, Herts, England

AM Japan Co., Ltd.
Tokyo, Japan

AM International, S.A. de C.V.
Mexico City, Mexico

AM International B.V.
Rijswijk, Netherlands

AM International Limited
Wellington, New Zealand

AM International Pte. Ltd.
Singapore

AM International (Proprietary) Limited
Johannesburg, South Africa

AM International, S.A.
Madrid, Spain

AM International Oy
Helsinki, Finland

AM International S.A.
Courbevoie, France

AM International AB
Stockholm, Sweden

Addressograph Multigraph AG
Zurich, Switzerland

Transfer Agent(s):

Citibank, N.A.
111 Wall Street
New York,New York 10015

Bank of America
Bank of America Center
55 Hawthorne Street
San Francisco, California 94105

Harris Trust and Savings Bank
111 West Monroe Street
Chicago, Illinois 60690

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: AIN

Number of Employees:

1980	20,300	1977	19,400
1979	20,000	1976	19,700
1978	18,500		

Sales and Earnings

	Revenues	Net Income †
1980	$909,647,000	$ 5,800,000
1979	754,483,000	11,600,000
1978	666,610,000	21,257,000
1977	596,250,000	(19,298,000)
1976	572,920,000	5,640,000

	No. of Com. Shares #	Earn. per Share # †
1980	8,444,437	$0.69
1979	8,412,986	1.38
1978	8,365,567	2.54
1977	8,250,543	—
1976	8,039,838	0.70

(Loss)
† Including extraordinary gains of $1,828,000 ($0.22 per share) in 1980 and $2,597,000 ($0.31 per share) in 1979.
# Based on the weighted average number of common shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Reprographics:		
Duplicators	$ 352,516	$ 298,854
Engineering graphics	141,358	124,453
Imprinters, embossers & credit cards	88,239	79,810
Other products & services	22,896	21,917
Copiers	23,285	29,792
Management systems:		
Photo composition	133,013	106,422
Word processing & sm. bus. comp.	44,121	16,691
Micrographics	54,909	39,620
Image systems	11,248	8,041
Management control systems	38,062	28,883
Total	$ 909,647	$ 754,483

AM International Inc.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.28	—	—
1979	0.28	—	—
1978	0.20	—	—
1977	0.10	—	—
1976	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$231,689,000	$27.40
1979	227,948,000	27.05
1978	218,394,000	26.02
1977	198,421,000	23.77
1976	216,940,000	27.08

Income Account *
(000's)

Year ended July 31	1980	1979
Net sales	$ 728,521	$ 591,259
Other income	181,126	163,224
Total income	$ 909,647	$ 754,483
Cost of sales	559,145	453,355
Expenses	338,796	284,289
Other income	(10,578)	(11,954)
Interest expense	23,824	11,949
Income (loss) before taxes	$ (1,540)	$ 16,844
Income taxes (credit)	(5,512)	7,841
Net Income	$ 3,972	$ 9,003
Extraord. gain	1,828	2,597
Net Income & extraord. gain	$ 5,800	$ 11,600

* Included in Costs and Expenses, Depreciation and Amortization: $21,152,000 in 1980 and $18,959,000 in 1979.

Assets
(000's)

As of July 31	1980	1979
Cash & temp. invest.	$ 4,137	$ 7,806
Short-term advances	15,137	4,918
Accts. receiv., net	217,982	158,713
* Inventories	256,370	194,173
Prepaid expenses	29,395	24,000
Current Assets	$ 523,021	$ 389,610
Investments & advances	10,911	10,166
# Fixed assets	84,560	83,169
‡ Rental equip.	13,580	17,808
† Prop. under cap. leases	7,239	8,479
Other assets	46,821	35,008
Total Assets	$ 686,132	$ 544,240

Liabilities
(000's)

	1980	1979
Bank loans & curr. debt	$ 122,994	$ 52,110
Accts. payable	85,717	59,296
Service contract oblig.	33,726	29,697
Accruals	81,871	61,910
Income taxes	3,494	2,910
Curr. Liabilities	$ 327,802	$ 205,923
Long-term debt	104,791	91,836
Deferred income	21,850	18,533
+ Common stock	21,143	21,067
Add. paid-in capital	72,047	71,818
Note receiv. from officer	(1,350)	(1,350)
Retained earnings	139,849	136,413
Total Liabilities & Shareholders' Equity	$ 686,132	$ 544,240

* At lower of cost (LIFO for U.S. reprographics inventories; FIFO for other) or market.
# Less accumulated depreciation and amortization.
‡ Less accumulated depreciation.
† Less accumulated amortization.
+ $2.50 par value.

Statistical Summary

%Income bef. Taxes to Revenues	—	2.33
%Net Income to Revenues	0.44	1.19
%Net Income to Equity	1.71	3.95
Working Capital	$195,219,000	$183,687,000
Current Ratio	1.60	1.89
Shareholders' Equity	$231,689,000	$227,948,000

Amdahl Corporation

1250 East Arques Avenue
Sunnyvale, California 94086
(408) 746-6000

Officers: Eugene R. White, chairman of the board & chief executive officer; John C. Lewis, president; William F. O'Connell, Jr., sr. v.p.-int'l operations; Harold O. Shattuck, sr. v.p.-operations; Kenneth W. Simonds, sr. v.p.-U.S. Field Operations; Michael R. Clements, v.p.-engineering; Anthony M. Pozos, v.p..-industrial relations; Stephen S. Smith, v.p.-business planning; Vernon Z. Smith, v.p -manufacturing; Frederick M. Trapnell, Jr., v.p.-software; Edward F. Thompson, v.p. & treasurer; Ernest B. Thompson, v.p. & controller; Michael D. Ellzey, asst. corp. secretary; Gregory L. Kelsey, Michael B. Shahbazian, asst. treasurers; Douglas G.G. Levick, III, sr. v.p.-finance & secretary; Bruce O. Beebe, v.p.-advanced development; David M. Brewer, v.p.-product development; Raymond Sanders, v.p., chairman-Tran Telecommunications Corporation; Michael M. Cully, asst. controller.

Directors: Eugene R. White, chairman of the board; John C. Lewis, Donald F. Eldridge, E.F. Heizer, Jr., George Kozmetsky, Naoya Ukai, Takuma Yamamoto.

Areas of Work: Develops, manufactures and markets large-scale computer systems for general purpose applications. Also provides product maintenance and software support for its 470 systems and is engaged in research and development programs for future products, and also provides digital data communications networks.

Divisions and Subsidiaries:

Amdahl Limited
1 First Canadian Place, Suite 3940
P.O. Box 123
Toronto, Ontario M5X 1A4
Canada
(416) 862-7479

Amdahl Belgium
17-19 Rue Montoyer
1040 Brussels
Belgium

Amdahl Computer Systems Danmark
Vesterbrogade 1C
DK-1620 Kobenhavn V
Denmark

Amdahl Deutschland GmbH
Sonnenstrasse 25
800 Munchen 2
Germany

Amdahl Nederland B.V.
Parnassustoren
Locatellikade 1,
1076 AZ Amsterdam
The Netherlands

Tran Telecommunications Corporation
2500 Walnut Avenue
Marina del Ray, California
(213) 822-3202

Amdahl France S.A.R.L.
Maillot 2000
251 Bd. Pereire
75017 Paris
France

Amdahl Italia, S.p.A.
12, Piazza Adriana
00193 Rome
Italy

Amdahl Norge A/S
Postboks 2496, Solli
Drammensveien 30
N-Oslo 2
Norway

Amdahl Svenska AB
Fribergavegen 7
Box 150
S-182 12 Danderyd
Sweden

Amdahl Switzerland AG
Baumacherstrasse 46
8050 Zurich
Switzerland

Amdahl Lease B.V.
Parnassustoren
Locatellikade 1
1076 AZ Amsterdam
The Netherlands

Amdahl Ireland, Limited
Balhary Industrial Park
Swords, County Dublin
Ireland

Acquisition(s):

Tran Telecommunications Corporation
2500 Walnut Avenue
Marina del Rey, California 90291

Designs, produces, markets, installs and services equipment (excluding transmission facilities) and software that constitute digital communications networks.

Amdahl (U.K.) Limited
Viking House
29/31 Lampton Road,
Hounslow,
Middlesex, TW3 IJD
United Kingdom

Transfer Agent(s):

Bank of America NT & SA
San Francisco, California
New York, New York

Stock Exchange(s): American

Ticker Symbol: AMH

Number of Employees:

1979 . . . . . . 3,600 1978 3,000

Plant Footage:

1979 . . . . . . 7,000,000 sq.ft. 1978 7,000,000

Sales and Earnings†

	Revenues	Net Income ‡
1980	$394,351,000	$ 15,221,000
1979	319,973,000	15,304,000
1978	332,173,000	45,151,000
1977	199,950,000	36,106,000
1976	101,302,000	22,738,000

	No. of Com. Shares #	Earn. per Share # ‡
1980	18,425,000	$0.83
1979	17,503,000	0.87
1978	17,155,000	2.63

† Restated to include operations of companies acquired on a pooling of interests basis.
‡ Including extraordinary gains of $9,743,000 in 1977 and $11,010,000 in 1976.
# Based on the average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.40	—	—
1979	0.40	—	—
1978	0.30	—	—
1977	0.075	—	—

Common Stock Equity †

	Total Equity	Equity Per Share +
1980	$239,575,000	$13.00
1979	171,820,000†	9.82
1978	146,445,000†	8.54

‡ Restated to include operations of companies acquired on a pooling of interests basis.

+ Based on the average number of common shares and common share equivalents outstanding.

† After allowing for preferred stock at par value.

Income Account *
(000's)

Year ended	12/26/80	12/28/79 ‡
Revenues	$ 394,351	$ 319,973
Cost of revenues	215,743	175,945
Expenses	149,466	113,124
Interest income	(8,642)	(5,091)
Interest expense	11,184	7,812
Income before taxes	$ 26,600	$ 28,183
Income taxes	11,379	12,879
Net Income	$ 15,221	$ 15,304

* Included in Costs and Expenses, Depreciation and Amortization: $39,599,000 in 1980 and $27,053,000 in 1979.

‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets
(000's)

As of	12/26/80	12/28/79
Cash & short-term invest.	$ 83,379	$ 25,328
Receivables	85,943	77,293
Inc. taxes refund.	—	7,200
* Inventories	68,735	89,628
Prepaid expenses & deposits	2,127	3,098
Tax benefit	3,971	4,018
Current Assets	$ 244,155	$ 206,565
Long-term receiv.	24,791	13,451
# Fixed assets	120,660	134,090
Total Assets	$ 389,606	$ 354,106

Liabilities
(000's)

	12/26/80	12/28/79
Notes payable	$ 412	$ 21,211
Long-term debt, curr.	5,105	7,606
Accts. payable	16,857	11,720
Accruals	15,374	7,082
Accrued liabilities	46,926	31,093
Curr. Liabilities	$ 84,674	$ 78,712
Long-term debt	27,393	69,622
Deferred invest. tax credits	3,887	5,145
Deferred inc. taxes	34,077	28,774
+ Preferred stock	—	33
+ + Common stock	844	722
Add. paid-in capital	164,585	106,314
Retained earnings	74,146	64,784
Total Liabilities & Shareholders' Equity	$ 389,606	$ 354,106

‡ Restated to include operations of companies acquired on a pooling of interests basis.

* At lower of cost (FIFO) or market.

Less accumulated depreciation and amortization.

+ $1 par value.

+ + 0.05 par value.

Statistical Summary

%Income bef. Taxes to Revenues	6.75	8.81
%Net Income to Revenues	3.86	4.78
%Net Income to Equity	6.35	8.91
Working Capital	$159,481,000	$127,853,000
Current Ratio	2.88	2.62
Shareholders' Equity	$239,575,000	$171,853,000

Amerace Corporation

555 Fifth Avenue
New York, New York 10017
(212) 986-8282

Officers: John B. Rhodes, Jr., chairman of the board; William F. McGuinness, vice chairman of the board; George S. Deutsch, president & chief executive officer; Erik P. Woit, sr. v.p.-administration; Glenn W. Johnson, Jr., exec. vice president; Robert R. Brown, C.R. Hintz, David L. Nighbert, group vice presidents; C. Donald Caughey, v.p.-planning & development; Norwood P. Beveridge, Jr., secretary; Jerry K. Lasley, controller; Matthew M. Craig, treasurer; Douglas F. Bauer, David Teschner, asst. secretaries.

Directors: Louis Bachmann, William F. Ballhaus, T. Roland Berner, Edgar R. Berner, George S. Deutsch, William F. McGuinness, Edward McSweeney, John B. Rhodes, Jr., Jack A. Slonim, Stephen A. Furbacher, Leroy M. Parker, Thomas R. Berner.

Areas of Work: Manufactures garden, industrial and automotive hose; hydraulic hose asemblies, and hydraulic hose assemblies, metal tube assemblies and hydraulic cylinders; electromechanical, fluidic and electronic timers, switches, programmers, stepping switches, relays, rotary positioning drives, synchronous motor timers, and complete systems for automatic equipment and process control; terminal blocks, splice caps, and crimping tools; high voltage terminating, splicing and connector systems for underground electric power distribution, molded rubber encapsulated lighting transformers and cable connector kits for airport runway and taxi strip lighting systems; fused connector kits and other components for street lighting systems; aircraft and industrial fasteners; plastic molded products such as buttons and dials for business machines and telephones, highway pavement markers and reflective directional and warning devices, automobile taillight and directional signal lenses; microporous rubber separators for automotive and industrial batteries, semi-pneumatic and solid rubber tires and plastic wheels for lawn-mowers, toys and light recreational vehicles.

Divisions:

Swan Hose Division
8929 Columbus Pike
Worthington, Ohio 43085
(614) 548-6511

Esna Division
2330 Vauxhall Road
Union, New Jersey 07083
(201) 686-6000

Amerace Brands Division
Ace Road
Butler, New Jersey 07405
(201) 838-1000

Microporous Products Division
Ace Road
Butler, New Jersey 07405
(201) 838-1000

Wheel Products Division
Ace Road
Butler, New Jersey 07405
(201) 838-1000

Automotive Sales Division
10 West Square Lake Road
Bloomfield Hills, Michigan 48013
(313) 858-2240

Emconite Division
5726 Professional Circle
Indianapolis, Indiana 46241
(317) 244-6821

Signal Products Division
7542 Noth Natchez Avenue
Niles, Illinois 60648
(312) 647-7717

Control Products Division
2330 Vauxhall Road
Union, New Jersey 07083
(201) 964-4400

Elastimold Division
Esna Park
Hackettstown, New Jersey 07840
(201) 852-1122

Caco-Pacific Division
813 N. Cummings Road
Covina, California 91724
(213) 331-3361

Subsidiaries & Affiliates:

Anchor Coupling Co. Inc.
342 No. Fourth Street
Libertyville, Illinois 60048
(312) 367-2500

United Hydraulic Corporation
P.O. Box 317
Hampton, Iowa 50441
(515) 456-4801

Amer-Sil S.A.
Kehlen, Luxembourg

Amerace Ltd.
Markham, Ontario, Canada

Amerace Limited
Newbury, Berkshire, England

Simmonds, S.A.
Suresnes, France

Amerace GmbH
Kamen, Westphalia, Germany

Amerace S.A.
Paris, France

Amerace N.V.
Erembodegem, Belgium

Fujimold Ltd.
Tokyo, Japan

Simel, S.A.
Gevrey, Chambertin, France

Anchor Coupling Canada Limited
Brantford, Ontario, Canada

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): New York

Ticker Symbol: AAE

Number of Employees:

1980	5,350	1977	6,800
1979	6,600	1976	6,400
1978	7,000		

Plant Footage:

1980	2,590,000 sq. ft.	1978	2,486,000
1979	2,513,000	1977	2,455,000

Sales and Earnings

	Net Sales	Net Income
1980	$ 326,379	$ 10,097
1979	336,522	12,407
1978	307,636	10,641
1977	280,135	9,779
1976	250,370	8,715

Amerace Corporation

	No. of Com. Shares‡	Earn. per Share‡
1980	2,447,000	$3.51
1979	2,383,000	4.55
1978	2,361,000	3.81
1977	2,357,000	3.43
1976	2,367,000	2.94

‡ Based on average number of shares outstanding.

Revenues By Line of Business

	1980	1979
Fluid power & metal compon.	$ 178,641	$ 181,672
Elec. compon. & controls	100,098	99,363
Consumer & safety prods.	47,640	55,487
Total	$ 326,379	$ 336,522

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.32	—	—
1979	1.32	—	—
1978	1.20	—	—
1977	1.20	—	—
1976	1.20	—	—

Common Stock Equity

	Total Equity #	Equity Per Share *
1980	$ 79,230,000	$32.38
1979	72,772,000	30.54
1978	62,630,000	26.53
1977	55,882,000	23.71
1976	50,148,000	21.19

# After allowing for preferred stock at involuntary liquidation.

*Based on average number of shares outstanding.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 326,379	$ 336,522
Cost of sales	238,867	243,318
Expenses	56,303	56,516
Depreciation & amortization	9,972	9,477
Other income	(1,765)	(777)
Interest expense	5,859	6,146
Income before taxes	$ 17,143	$ 21,842
Income taxes	7,046	9,435
Net Income	$ 10,097	$ 12,407

Assets

As of Dec. 31	1980	1979
Cash	$ 3,086	$ 4,704
Receiv. net	46,006	54,088
*Inventories	75,759	86,916
Prepaid expenses	2,256	2,316
Current Assets	$ 127,107	$ 148,024
Investments	4,644	3,852
#Fixed assets	76,871	73,771
Other assets & defer. charges	646	867
Intangibles	6,195	6,195
Total Assets	$ 215,463	$ 232,709

Liabilities

	1980	1979
Notes payable & long-term debt, curr.	$ 7,646	$ 22,278
Accts. payable & accruals	30,521	38,033
Dividends payable	1,185	1,186
Income taxes	493	1,840
Curr. Liabilities	$ 39,845	$ 63,337
Long-term debt	51,927	51,371
Deferred inc. tax credits	3,038	2,918
Deferred inc. taxes	4,167	4,025
+Preferred stock	8,459	8,618
+ +Common stock	13,172	13,031
Add paid-in capital	18,143	18,082
Retained earnings	90,903	85,549
Treasury stock	(14,191)	(14,222)
Total Liabilities & Shareholders's Equity	$ 215,463	$ 232,709

* At cost (FIFO) or market, whichever is lower.

# Less accumulated depreciation & amortization.

+ $10 par value; $2.60 cumulative convertible, Series A.

+ + $5 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	5.25	6.49
%Net Income to Sales	3.09	3.69
%Net Income to Equity	8.67	11.17
Sales to Inventories	4.31	3.87
Working Capital	$ 87,262,000	$ 84,687,000
Current Ratio	3.19	2.34
Shareholders' Equity	$116,486,000	$111,058,000

American Microsystems, Inc.

3800 Homestead Road
Santa Clara, California 95051
(408) 246-0330

Officers: Glenn E. Penisten, president & chairman of the board; Robert M. Penn, exec. v.p. & chief operating officer; C.S. Isherwood, sr. v.p.-corp. services; Marshall A. Peterson, sr. v.p.-corp. admn. & sec.-treas; Barry Carrington, sr. v.p.-manufacturing; William D. Baker, v.p.-Pocatello Mfg. Facility; J. Leland Seely, v.p.-research & development; Stephen S. Forte, v.p.-central marketing; Richard P. Thomas, v.p.-custom/customer designed products; Raymond Wang, v.p.-microprocessors, memory & communications products, Martin G. Landin, v.p.-domestic sales.

Directors: Frank G. Chambers, Leland E. Dake*, Ernest de la Ossa, William E. Ayer, Ridge L. Harlan, Glenn E. Penisten, Elmer D. Robinson, Horst Frank, John G. Linvill.

* Member of the Executive Committee.

Areas of Work: Designs, develops and manufactures microscopically complex electronic devices using Metal Oxide Silicon (MOS) technology to produce large scale integrated circuits for use in computer memory, terminals and peripherals, calculators incorporating thousands of electrical functions on thin chips of silicon less than a quarter inch square called large scale integrated circuits. Markets include custom and standard circuits for computer memory, terminals and periphels, calculator and consumer products, microprocessors and microcomputer leased products.

Divisions and Subsidiaries:

Millennium Systems, Inc.
19020 Pruneridge Avenue
Cupertino, California 95014
(408) 996-9109

3800 Homestead Road
Santa Clara, California 95051
(408) 246-0330

AMI International Sales, Inc.
3800 Homestead Road
Santa Clara, California 95051
(408) 246-0330

Koran Microsystems, Inc.
Inchon Export Industrial Estate
Block 1
Hyo Sung-Dong Buk-ku
Inchon, Korea

AMI Japan
502 Nikko Sanno Building
2-5-3 Akasaka
Minato-Ku
Tokyo 107, Japan

AMI Microsystems, GmbH
Rosenheimer Strasse 30-32
8000 Munich 80, Germany

AMI Microsystems, Ltd.
108a Commercial Road
Swindon, Wilshire, England

AMI Microsystems, S.p.A.
60 Via Pascoli
Milan, Italy 1-20133

AMI Microsystems, S.A.R.L.
124, Avenue de Paris
94300 Vincennes, France

Taiwan Microsystems, Inc.
Taiwan

American Microsystems, Ltd.
Hong Kong

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: AMMS (NASDAQ)

Number of Employees:

1980	3,348	1977	3,017
1979	3,844	1976	3,370
1978	3,168		

Plant Footage:

1980	554,221 sq. ft.	1978	514,934
1979	547,701		

Sales and Earnings

	Net Sales	Net Income‡
1980	$129,369,000	$ 4,260,000
1979	108,553,000	4,921,000
1978	80,409,000	2,821,000
1977	76,217,000	3,365,000
1976	68,980,000	(10,822,000)

	No. of Com. Shares	Earn. per. Share # ‡
1980	4,003,000	$1.01
1979	3,883,000	1.22
1978	3,729,000	0.73
1977	3,512,000	1.05
1976	2,661,000	—

(Loss)

‡ Including extraordinary gains of $618,000 ($0.15 per share) in 1979, $856,000 ($0.22 per share) in 1978 and $1,072,000 ($0.33 per share) in 1977.

# Based on the average number of common shares outstanding.

Revenues By Line of Business

	1980	1979
Semiconductor prods.	$117,082,000	$ 95,569,000
Microprocessor develop. & test instruments	12,287,000	12,984,000
Total	$129,369,000	$108,553,000

Common Stock Equity

	Total Equity	Equity Per Share
1980	$53,927,000	$13.47
1979	47,604,000	12.26
1978	40,512,000	10.86
1977	36,478,000	10.39
1976	18,423,000	6.92

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 129,369	$ 108,553
Cost of sales	86,918	73,061
Res. & development	10,319	8,790
Expenses	23,704	19,701
Interest expense	1,974	671
Income before taxes	$ 6,454	$ 6,330
Income taxes	2,194	2,027
Net Income	$ 4,260	$ 4,303
Extraord. gain	—	618
Net Income & extraord. gain	$ 4,260	$ 4,921

* Included in Costs and Expenses, Depreciation and Amortization: $6,193,000 in 1980 and $4,857,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 2,149	$ 869
Accts. receiv. net	19,434	22,397
* Inventories	23,165	27,125
Prepaid expenses	480	687
Prepaid inc. taxes	1,113	—
Current Assets	$ 46,341	$ 51,078
# Fixed assets	33,399	27,080
Other assets	708	1,151
Notes receiv. from emp.	620	635
Total Assets	$ 81,068	$ 79,944

Liabilities

	1980	1979
Cap. lease oblig.	$ 599	$ 869
Accts. payable	8,593	11,172
Accruals	3,888	8,500
Inc. taxes payable	3,211	308
Other curr. liabilities	5,609	5,964
Curr. Liabilities	$ 21,900	$ 22,769
Cap. lease oblig.	302	942
Loans payable	4,500	8,500
Deferred taxes	439	129
+ Common stock	4,003	3,883
Add. paid-in capital	38,462	36,455
Retained earnings	13,323	9,063
Notes receiv.	(1,861)	(1,797)
Total Liabilities & Shareholders' Equity	$ 81,068	$ 79,944

* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	4.99	5.83
%Net Income to Sales	3.29	3.96
%Net Income to Equity	7.90	9.04
Sales to Inventories	5.58	4.00
Working Capital	$ 24,441,000	$ 28,309,000
Current Ratio	2.12	2.24
Shareholders' Equity	$ 53,927,000	$ 47,604,000

American Pacesetter

4540 Campus Drive
Newport Beach, California 92660
(714) 540-6712

Officers: R. Paul Toeppen, chairman of the board & treasurer; John W. Klug, president & chief exec. officer; Richard F. Holland, Landon M. Exley, v.p.'s; John R. Polen, secretary & chief financial officer, Donald W. Killian, Jr., asst. secretary.

Directors: R. Paul Toeppen, chairman; John W. Klug, Richard F. Holland, Landon M. Exley, Donald W. Killian, Jr., Henry K. Swenerton, David E. Alexander.

Areas of Work: Through its electronics subsidiary, American Electronics, Inc., manufacturers film surveillance cameras and electronic power supplies for use in commercial, industrial and governmental applications.

Subsidiaries:

Pacesetter Homes, Inc.
4540 Campus Drive
Newport Beach, California 92660

American Electronics, Inc.
1600 East Valencia Drive
Fullerton, California 92634

Woodleaf Mortgage Co.
4540 Campus Drive
Newport Beach, California 92660

Pacesetter Realty, Inc.
4540 Campus Drive
Newport Beach, California 92660

Pacesetter Escrow Company, Inc.
4540 Campus Drive
Newport Beach, California 92660

Transfer Agent(s):

J. Henry Schroder Bank & Trust Company
One State Street
New York, New York 10015

Stock Exchange(s): Pacific

Ticker Symbol: AECP

Number of Employees:

1979 3000

Plant Footage:

1980 . . . . . 100,000 sq. ft. 1979 100,000

Sales and Earnings

	Revenues	Net Income
1980	$ 80,752,000	$ 5,828,000
1979	61,420,000	4,138,000
1978	49,711,000	4,296,000
1977	46,298,000	5,446,000
1976	33,055,000	2,828,000

	No. of Com. Shares #	Earn. per Share #
1980	2,818,000	$2.07
1979	2,971,000	1.40
1978	3,149,000	1.36
1977	3,135,000	1.74
1976	3,451,000	0.82

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect reverse stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	1-for-2

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 25,185,000	$8.94
1979	22,164,727	7.46
1978	17,976,325	5.71
1977	14,752,788	4.71
1976	9,746,021	2.82

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect reverse stock split.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 73,812,000	$ 55,452,871
Other income	6,940,000	5,966,931
Revenues	$ 80,752,000	$ 61,419,802
Cost of sales	60,146,000	44,285,087
Expenses	4,891,000	4,077,658
Interest expenses	3,682,000	4,651,123
Income before taxes	$ 12,033,000	$ 8,405,934
Income taxes	6,205,000	4,268,200
Net Income	$ 5,828,000	$ 4,137,734

* Included in Costs and Expenses, Depreciation and Amortization: $448,000 in 1980 and $282,188 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 2,761,000	$ 1,885,548
Accts. & other receiv.	2,605,000	2,220,464
* Inventories	2,262,000	2,158,366
Receivables from real est. sales	72,639,000	57,305,214
Real est. proj.	66,579,000	75,005,542
Oper. prop.	11,985,000	—
# Fixed assets	3,667,000	2,682,727
Other assets	726,000	201,931
Total Assets	$ 163,224,000	$ 141,459,792

Liabilities

	1980	1979
Notes payable	$ 111,615,000	$ 99,687,009
Accts. payable	5,852,000	5,762,362
Accruals	2,298,000	1,420,694
Unsecured note payable	2,000,000	2,000,000
Deferred inc. taxes	16,274,000	10,425,000
+ Common stock	2,104,000	2,622,987
Add. paid-in capital	—	1,083,017
Retained earnings	23,081,000	18,458,723
Total Liabilities & Shareholders' Equity	$ 163,224,000	$ 141,459,792

* At lower of average cost or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Revenues	14.90	13.69
%Net Income to Revenues	7.22	6.74
%Net Income to Equity	23.14	18.67
Shareholders' Equity	$ 25,185,000	$ 22,164,727

American Precision Industries Inc.

2777 Walden Avenue
Buffalo, New York 14225
(716) 684-9700

Officers: Robert J. Fierle, president; Joseph F. Baumgarden, exec. v.p.-operations; William F. Bensman, v.p.-admin.; William H. Edwards III, v.p.-pres., Delevan Div.; Richard P. Becht, v.p.-finance & treasurer; Robert E. Weld, controller; William A. Donovan, secretary; Virginia E. Weiss, assistant secretary.

Directors: Robert J. Fierle, chairman; William A. Donovan, John M. Henske, Don G. Mitchell, Clark Daugherty, C. Edgar Schabacker, Jr., James H. Goss, Richard L. Signorelli, William P. Panny.

Areas of Work: Designs and manufactures ultraprecision mechanisms for military and commercial applications; principally, coil and transformer components, heat exchangers, electro-mechanical clutches and brakes, air pollution control and dust collection equipment.

American Precision Industries Inc.

Divisions:

Basco Division
2777 Walden Avenue
Buffalo, New York 14225
(716) 684-6700
J.F. Laughlin, purchasing agent;
J.W. Bevevino, general manager.

Designs and manufactures standard and custom heat transfer products, such as heat exchangers and condensers for commercial and industrial use.

Delevan Division
270 Quaker Road
East Aurora, New York 14052
(716) 652-3600
G.A. Thomas, purchasing agent;
W.H. Edwards, general manager.

Designer and manufacturer of microminiature coil and transformer products usedmainly by computer manufacturers, producers of data communication systems, and as part of the electronics necessary for governmental space probes. Other products include miniature electromechanical brakes and clutches used in data processing equipment, aerospace control systems, voting machines and numerically-controlled machine tools.

Deltran Division
4401 Genesee Street
Buffalo, New York 14225
(716) 631-9300
W.J. Winter, purchasing agent;
D.M. Parkhill, general manager.

Designs and manufactures electromagnetic clutches and brakes for manufacturersof business machines, computer peripherals, aircraft and medical test equipment.

Air Quality Division
12037 Goodrich Drive
Charlotte, North Carolina 28210
also at:
Highway 11-E By-pass
Greeneville, Tennessee 37743
(615) 639-3175

Engaged in metal fabrication and assembly work. Product line includes jet pulse and far pulse type fabric collectors, centrifugal separators and cyclones. Produces air pollution control systems using the combined technologies of electrostatic precipitation and fabric filtration.

Subsidiaries:

Dustex of Canada Inc.
698 Wilson Avenue
Kitchener, Ontario, Canada N2C-1H9
(519) 744-4031

Manufactures air pollution control equipment.

American Precision Industries (U.K.) Ltd.
Aldwych House
Aldwych
London WC2B 4JP, England

Transfer Agent(s):

Marine Midland Bank N.A.
New York, New York 10017

Stock Exchange(s): American

Ticker Symbol: APR

Number of Employees:

1980	840	1977	622
1979	770	1976	555
1978	652		

Plant Footage:

1980	303,400 sq. ft.	1977	221,650
1979	270,050	1976	221,650
1978	246,550		

Sales and Earnings

	Net Sales	Net Income‡
1980*	$ 33,307,000	$ 2,051,000
1979	29,052,000	1,668,000
1978	22,443,000	1,800,000
1977	22,442,205	1,455,764
1976	20,573,556	1,212,796

	No. of Com. Shares	Earn. per Share‡#
1980	1,019,000	$2.01
1979	1,023,000	1.63
1978	1,022,000	1.77
1977	1,010,000	1.44
1976	1,009,000	1.21

* 53 weeks.
# Based on the weighted average number of common shares outstanding adjusted to reflect stock dividend.
‡ Including extraordinary income of $425,000 ($0.42 per share) in 1978.

Revenues By Line of Business

	1980	1979	1978	1977
Indust. process equip.	58.5%	63.9%	63.5%	68.1%
Electronic components	41.5	36.1	36.5	31.9
Total	100.0%	100.0%	100.0%	100.0%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.41 reg.	—	—
1979	0.40 reg.	—	—
1978	0.34 reg.	20%	—
1977	0.25 reg. 0.08 spec.	—	—
1976	0.18 reg. 0.17 spec.	—	—

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 10,523,000	$10.33
1979	8,936,000	8.73
1978	7,673,000	7.51
1977	6,186,465	6.12
1976	5,060,185	5.01

† Adjusted to reflect stock dividend.

Income Account *

Year ended	1/2/81 (53 weeks)	12/28/79
Net sales	$ 33,307,000	$ 29,052.000
Cost of sales	22,070,000	19 451,000
Expenses	7,489,000	6,387,000
Interest expense	128,000	107,000
Other income	(129,000)	—
Income before taxes	$ 3,749,000	$ 3,107,000
Income taxes	1,698,000	1,439,000
Net Income	$ 2,051,000	$ 1,668,000

* Included in Costs and Expenses, Depreciation and Amortization: $694,000 in 1980 and $446,000 in 1979.

Assets

As of	1/2/81	12/28/79
Cash & cert. of deposit	$ 1,968,000	$ 1,341,000
Accts. & notes	4,764,000	3,970,000
*Inventories	5,357,000	4,162,000
Deferred taxes and other	405,000	293,000
Current Assets	$ 12,494,000	$ 9,766,000
#Fixed assets	3,957,000	3,827,000
Other assets	193,000	180,000
Total Assets	$ 16,644,000	$ 13,773,000

Liabilities

Long-term debt, curr.	$ 59,000	$ 56,000
Accts. payable	2,975,000	1,995,000
Accruals	457,000	426,000
Accrued payroll	1,050,000	796,000
Dividends payable	112,000	102,000
Income taxes	634,000	569,000
Curr. Liabilities	$ 5,287,000	$ 3,944,000
Long-term debt	834,000	893,000
+Common stock	1026,000	1,024,000
Add. paid-in capital	3,647,000	3,643,000
Retained earnings	5,903,000	4,271,000
Treasury stock	(53,000)	(2,000)
Total Liabilities & Shareholders' Equity	$ 16,644,000	$ 13,773,000

*At lower of cost (Industrial process equipment at LIFO, electronic components at FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income before Taxes to Sales	11.26	10.69
%Net Income to Sales	6.16	5.74
%Net Income to Equity	19.49	18.67
Sales to Inventories	6.22	6.98
Working Capital	$ 7,207,000	$ 5,822,000
Current Ratio	2.36	2.48
Shareholders' Equity	$ 10,523,000	$ 8,936,000

American Science and Engineering, Inc.

955 Massachusetts Avenue
Cambridge, Massachusetts 02139
(617) 868-1600

Officers: Martin Annis, chairman & president; Henry Shapiro, senior vice president-ASEP Div.; S. David Ellenbogen, senior vice president-marketing; Jacob Shekel, v.p.-engineering; Vincent L. Carolan,v.p.-finance & treasurer; Jay A. Stein, v.p.-Instrument Systems Division; Carolus M. Cobb, vice president & chief chemist; Ralph Abbott, v.p.-utility systems mktg.; Sylvia J. Cox, clerk; Allen S. Krieger, v.p.-Space Div.

Directors: Martin Annis, Carolus M. Cob, Alvin S. Hochberg, Herman Feshbach, Ismael Escobar.

Divisions:

Instrument Systems Division
955 Massachusetts Avenue
Cambridge, Massachusetts 02139
(617) 868-1600

Designs and manufactures high technology products including Micro-Dose X-Ray Inspection Systems for the detection of contraband and X-Ray systems for medical instrumentation, including the AS&E CT scanner.

ASEP Division
955 Massachusetts Avenue
Cambridge, Massachusetts 02139
(617) 868-1600

Produces loan management systems under the trade name ASEP. This system is bidirectional, offers load status, automatic time-of-use metering,automatic load survey, and load control.

Space Systems Division
Arlington, Massachusetts

Designs and builds scientific equipment payloads for NASA, primarily in the field of X-Ray astronomy.

Transfer Agent(s):

The First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02106

Stock Exchange(s): American

Ticker Symbol: ASE

Sales and Earnings

	Total Revenues +	Net Income
1980	$ 24,352,000	$ (550,000)
1979	19,688,000	(859,000)
1978	19,663,000	(1,835,000)
1977	19,916,000	961,000
1976	19,567,000	1,375,000

	No. of Com. Shares ‡ ‡	Earn. per Share ‡ ‡
1980	2,676,000	$ —
1979	2,626,000	—
1978	2,615,000	—
1977	2,545,000	0.38
1976	2,253,000	0.61

(Loss)
+ Of continuing operations only.
‡ ‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock splits.

Revenues By Line of Business

	1980	1979
Energy & space system	$ 15,527,000	$ 8,233,000
X-Ray inspection & med. systems	8,825,000	11,455,000
Total	$ 24,352,000	$ 19,688,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$ —	—	—
1979	—	—	—
1978	—	5%	—
1977	—	—	—
1976	0.036	—	7-for-4

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 10,109,000	$3.84
1979	10,656,000	4.05
1978	11,429,000	4.36
1977	13,242,000	5.07
1976	7,695,000	3.49

Income Account *

Year ended March 31	1980	1979
Total revenue	$ 24,352,000	$ 19,688,000
Cost of sales & contracts	17,686,000	14,836,000
Expenses	5,612,000	5,676,000
Oper. income (loss)	$ 1,054,000	$ (824,000)
Other income	104,000	164,000
Income (loss) before taxes	$ 1,158,000	$ (660,000)
Income taxes (credit)	573,000	(310,000)
Income (loss) from cont. oper	$ (550,000)	$ (859,000)
	585,000	(350,000)
Loss from discont. oper.	(1,135,000)	(509,000)
Net Loss	$ (550,000)	$ (859,000)

* Included in Costs and Expenses, Depreciation and Amortization: $885,000 in 1980 and $565,000 in 1979.

Assets

As of March 31	1980	1979
Cash	$ 103,000	$ 81,000
Marketable securities	2,750,000	1,175,000
Accts. receiv., net	5,419,000	5,698,000
Unbilled costs & fees	366,000	810,000
Prepaid inc. taxes	215,000	942,000
* Inventories	3,693,000	6,065,000
Prepaid expenses	43,000	75,000
Assets of discont. oper.	594,000	—
Current Assets	$ 13,183,000	$ 14,846,000
# Fixed assets	1,529,000	1,881,000
Patent rights	1,800,000	2,128,000
Assets of discont. oper.	607,000	—
Intangibles	—	955,000
Other assets	—	183,000
Total Assets	$ 17,119,000	$ 19,993,000

Liabilities

	1980	1979
Accts. payable	$ 1,695,000	$ 2,261,000
Accruals	1,583,000	1,826,000
Income taxes	—	348,000
Customers payments	3,732,000	4,274,000
Curr. Liabilities	$ 7,010,000	$ 8,709,000
Deferred inc. taxes	—	628,000
+ Common stock	1,887,000	1,886,000
Add. paid-in capital	7,020,000	7,018,000
Retained earnings	1,466,000	2,016,000
Treasury stock	(264,000)	(264,000)
Total Liabilities & Shareholders' Equity	$ 17,119,000	$ 19,993,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.66⅓ par value.

Statistical Summary

Working Capital	$ 6,173,000	$ 6,137,000
Current Ratio	1.88	1.70
Shareholders' Equity	$ 10,109,000	$ 10,656,000

American Standard Inc.

40 West 40th Street
New York, New York 10018
(212) 840-5100

Officers: William A. Marquard, chairman of the board, president & chief executive officer; John L. Grant, exec. v.p.-finance & adm.; John F. Geer, v.p., general counsel & secretary; Alan C. Root, sr. v.p.-operations services; Paul W. Kayser, v.p.-human resources; Robert J. Schaffhauser, v.p.-technology; James P. Sears, v.p.-corporate development; Dale F. Maycen, v.p.-auditing & management information services; Kenneth R. Todd, Jr., v.p. & controller; Geanne M. Golly, v.p.-corporate communications; Richard H. Francis, v.p. & treasurer; Harry H. Steiner, v.p. & tax counsel.

Directors: E. Newton Cutler, Jr.*, James D. Hodgson, Augustine R. Marusi, William A. Marquard*, John L. Grant*, Monroe E. Spaght*, Donald J. Phillips,Paul Bancroft III, Richard A. Lenon, Wilbert A. Walker, Richard M. Cyert, Edward Donley*, William F. Laporte*, William J. Young.
* Member of Executive Committee.

Areas of Work: Manufactures and distributes building products, security systems, transportation braking, signaling and control systems, industrial and construction, equipment, and graphics arts.

Divisions and Subsidiaries:

Transportation Products Operations
3 Gateway Center
Pittsburgh, Pennsylvania 15222

Automotive Products Group
P.O. Box 91 12 80 D 3000
Hannover 91, Germany

WABCO Fahrzeugbremsen G.m.b.H.
Hannover, Germany

WABCO Westinghouse, A.B.
Nova, Sweden

WABCO Westinghouse, S.A.
Clay-Souilly, and Freinville-Sevran, France

WABCO Freni Veicoli Industriali, S.p.A.
Milan, Italy

WABCO Westinghouse G.m.b.H.
Vienna, Austria

WABCO Westinghouse A.G.
Bern, Switzerland

WABCO Westinghouse
Rotterdam, Holland
Clayton Dewandre Holdings Limited
Leeds, Rugby, Portsmouth, Lincoln and Lutterworth, England

WABCO-Freios para Autoveiculos Ltda.
Sao Paulo, Brazil

Industrial Products Group
5820 Main Street
Williamsville, New York 14221

WABCO Fluid Power Division
Lexington, Kentucky

American-Standard Heat Transfer Division
Buffalo, New York

American-Standard Industrial Products Division
Dearborn, Michigan

American-Standard Industrial Products Division
Canada

WABCO Westinghouse S.A.
France

WABCO Tecniche di Automazione, S.p.A.
Italy

WABCO Westinghouse (U.K.) Ltd.
England

WABCO Steuerungstechnik G.m.b.H. & Co.
Germany

Railway Products Group
3 Gateway Center
Pittsburgh, Pennsylvania 15222

Westinghouse Air Brake Division
Wilmerding, Pennsylvania

Union Switch & Signal Division
Swissvale, Pennsylvania

Cardwell Westinghouse Division
Chicago, Illinois

WABCO Ltd.
Hamilton, Ontario, Canada

Canadian Cardwell Division
Fresinbra Industrial, S.A.
Brazil

WABCO Westinghouse, S.A.
France

WABCO Westinghouse Compagnia Freni, S.p.A.
Italy

WABCO Westinghouse
Belgium

WABCO Westinghouse Compagnia Italiana
Segnali, S.p.A.
Italy

Construction & Mining Equipment Operations
2301 N.E. Adams St.
Peoria, Illinois 61639

WABCO Construction and Mining Equipment Group
2301 N.E. Adams Street
Peoria, Illinois 61639

WABCO Australia Pty. Limited
Australia

WABCO Equipmentos
Brazil

WABCO Manufacturing
Belgium

WABCO Equipment of Canada
Canada

Security and Graphic Products Operations
7007 Preston Road
Dallas, Texas 75205

Mosler Security Systems Group
1561 Grand Boulevard
Hamilton, Ohio 45012

The Mosler Safe Company
Hamilton, Ohio

Airmatic & Electronic Systems Division
Wayne, New Jersey

Bank & Commercial Division
Hamilton, Ohio

Counter Systems Division
Buffalo, New York

Dropository Division
Grandview, Missouri

Mosler International
Hamilton, Ohio

American Standard Inc.

Mosler, S.A. de C.V., Mexico
Mosler de Puerto Rico
Mosler Canada

Graphic Arts Group
11350 McCormick Road
Hunt Valley, Maryland 21031

Bank Check Division
Hunt Valley, Maryland

American Bank Stationery Co.
Hunt Valley, Maryland

Bankers Lithographing Company
Pittsburgh, Pennsylvania

Business Forms Division
Hunt Valley, Maryland

Bedinghaus Business Forms
Cincinnati, Ohio

Form on Willow Grove, Pennsylvania

Pioneer Business Forms
Tacoma, Washington

Woehrmyer Business Forms
Denver, Colorado

Marketing Services/Commercial Printing Division

Adcrafters, Inc.
Baltimore, Maryland

Frye & Smith, Ltd.
San Diego, California

Lebanon Valley Offset Co.
Annville, Pennsylvania

Stern Majestic Press
Philadelphia, Pennsylvania

Twin City Press
North Plainfield, New Jersey

Keller-Crescent Co.
Evansville, Indiana

Building Products Operations
P.O. Box 2003
New Brunswick, New Jersey 08903

United States Plumbing Products Group
P.O. Box 2003
New Brunswick, New Jersey 08903

European Plumbing Products Group
Boulevard du Souverain 348
1160 Brussels, Belgium

Ideal-Standard Limited
Hull, England

Ideal-Standard
Belgium

Ideal-Standard G.m.b.H.
Bonn, Germany

Ideal-Standard S.A.I.
Athens, Greece

Ideal-Standard S.p.A.
Milan, Italy

Building Specialties Group
9017 Blue Ash Road
Cincinnati, Ohio 45242

Modernfold
New Castle, Indiana

The Majestic Company
Huntington, Indiana

Steelcraft
Cincinnati, Ohio

International and Export Group
P.O. Box 2003
New Brunswick, New Jersey 08903

American-Standard Export Division
New Brunswick, New Jersey

American-Standard
Toronto, Canada

Ideal-Standard
Sao Paulo, Brazil

Ideal-Standard S.A. de C.V.
Mexico City, Mexico

American Standard Credit Inc.
Peoria, Illinois

Transfer Agent(s):
Morgan Guaranty Trust Company
of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: AST

Number of Employees:

1980	47,400	1977	46,400
1979	50,800	1976	44,600
1978	48,600		

Sales and Earnings

	Revenues (000's)	Net Income‡ (000's)
1980	$ 2,673,589	$ 156,893
1979	2,431,557	132,155
1978	2,110,860	101,338
1977	1,792,217	100,835
1976	1,654,176	70,925

	No. of Com. Shares #	Earn. per Share#‡
1980	27,576,765	$5.69
1979	27,734,878	4.76
1978	28,008,086	3.61
1977	31,438,244	2.81
1976	35,924,712	1.97

‡ Including extraordinary credit of $12,438,000 ($0.40 per share) in 1977.
# Based on average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1980	1979
Transportation products	$ 1,159,000	$ 1,009,000
Building prods.	787,000	772,000
Security & graphic products	418,000	335,000
Construction & mining equip.	310,000	316,000
Total	$ 2,674,000	$ 2,432,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$2.00	—	2-for-1
1979	1.525	—	—
1978	1.175	—	—
1977	0.8625	—	—
1976	0.575	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity ‡	Equity Per Share +
1980	$633,447,000	$22.97
1979	546,455,000	19.70
1978	439,519,000	15.69
1977	358,673,000	11.41
1976	302,775,000	8.43

‡ After allowing for preferred stock at aggregate liquidating values.
+ Based on average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 2,673,589	$ 2,431,557
Cost of sales	2,039,715	1,849,217
Expenses	370,949	325,860
Oper. profit	$ 262,925	$ 256,480
For. exchange loss (gain)	(6,802)	10,219
Interest expense	32,679	33,057
Other income	(20,200)	(19,305)
Income before taxes	$ 257,248	$ 232,509
Income taxes	100,355	100,354
Net Income	$ 156,893	$ 132,155

* Included in Costs and Expenses, Depreciation: $60,568,000 in 1980 and $51,739,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash & securities	$ 46,991	$ 67,715
Accts. receiv., net	405,885	348,520
Future inc. tax benefits	49,183	45,457
*Inventories	381,899	396,067
Other assets	66,533	17,123
Current Assets	$ 950,491	$ 874,882
Investments	31,599	31,130
#Fixed assets	491,209	432,218
Other assets	34,756	13,058
Intangibles	70,316	71,475
Total Assets	$ 1,578,371	$ 1,422,763

Liabilities

Loans payable	$ 16,944	$ 34,593
Comm. paper	—	21,236
Long-term debt, curr.	13,585	14,803
Accts. payable	190,039	201,300
Accruals	130,327	104,978
Accrued payroll	115,743	99,350
Income taxes	57,820	85,522
Curr. Liabilities	$ 524,458	$ 561,782
Long-term debt	279,982	193,466
Minority interest	6,363	6,289
Reserves	79,392	79,380
Deferred inc. taxes	52,129	32,691
+Preferred stock	1,458	1,545
+ +Common stock	27,083	13,751
Add. paid-in capital	86,512	114,850
Retained earnings	520,994	419,009
Total Liabilities & Shareholders' Equity	$ 1,578,371	$ 1,422,763

* At lower of cost (LIFO) or realizable value.
# Less accumulated depreciation.
+ $100 par value, 7% cumulative.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.62	9.56
%Net Income to Sales	5.87	5.43
%Net Income to Equity	24.77	24.07
Sales to Inventories	7.00	1.56
Working Capital	$426,033,000	$313,100,000
Current Ratio	1.81	1.56
Shareholders' Equity	$636,047,000	$549,155,000

American Telephone & Telegraph Company

195 Broadway
New York, New York 10007
(212) 393-9800

Officers: Charles L. Brown, chairman of the board; William M. Ellinghaus, president; William S. Cashel, Jr., vice chairman of the board & chief financial officer; James E. Olson, vice chairman of the board; Thomas E. Bolger, Richard R. Hough, Charles E. Hugel, Kenneth J. Whalen, Morris Tanenbaum, executive vice presidents; Howard J. Trienens, v.p. & gen. counsel; Alvin von Auw, Rex R. Reed, Jack A. Baird, John L. Clendenin, Alfred C. Partoll, Paul M. Villiere, Bruce G. Schwartz, John G. Fox, James R. Billingsley, H. Weston Clarke, Jr., Edward M. Block, William G. Sharwell, Archie J. McGill, Robert W. Kleinert, Robert E. Allen, John L. Segall, Walter B. Kelley, vice presidents; Robert N. Flint, vice president and comptroller; Virginia A. Dwyer, vice president and treasurer; Frank A. Hutson, Jr., secretary.

Directors: Charles L. Brown*, Edward W. Carter, Catherine B. Cleary, Archie K. Davis, John D. deButts, William M. Ellinghaus*, Edward B. Hanify, William A. Hewitt, Jerome H. Holland*, Belton K. Johnson, Donald S. MacNaughton, Rawleigh Warner, Jr.*, William S. Cashel, Jr., James H. Evans*, James E. Olson, Peter E. Haas, Juanita M. Kreps, Donald S. Perkins.

*Member of Executive Committee.

Areas of Work: The principal business of American Telephone and Telegraph Company and its telephone subsidiaries is that of furnishing communication services, mainly telephone service. The Company is the parent company of the Bell System. The Company operates a network of cable, wire and radio circuits and related equipment for intercommunication between and through the territories of its telephone subsidiaries and of other telephone companies and for intercommunication between telephone systems in the United States and those in most other countries throughout the world. Western Electric Company, a subsidiary, is the manufacturing and supply unit of the Bell System. Bell Laboratories, also a subsidiary, is the research and development unit of the Bell System.

Subsidiaries:

Western Electric Company, Inc.
222 Broadway
New York, New York 10038

Bell Telephone Laboratories, Inc. (jointly owned by AT&T Western Electric)
600 Mountain Avenuene
Murray Hill, New Jersey 07974

New England Telephone & Telegraph Company (86.0% owned)
New York Telephone Company
New Jersey Bell Telephone Company
The Bell Telephone Company of Pennsylvania
The Diamond State Telephone Company
The Chesapeake and Potomac Telephone Company of Maryland
The Chesapeake & Potomac Telephone Company of Virginia
The Chesapeake & Potomac Telephone Company of West Virginia
Southern Bell Telephone & Telegraph Company
South Central Bell Telephone Company
The Ohio Bell Telephone Company
Michigan Bell Telephone Company
Indiana Bell Telephone Company, Incorporated
Wisconsin Telephone Company
Illinois Bell Telephone Company
Northwestern Bell Telephone Company
Southwestern Bell Telephone Company
The Mountain States Telephone & Telegraph Company (88.6% owned)
Pacific Northwest Bell Telephone Company (89.4% owned)
The Pacific Telephone & Telegraph Company (89.8% owned) (including Bell Telephone Company of Nevada)
The Southern New England Telephone Company (21.1% owned)
Cincinnati Bell Inc. (29.7% owned)

Affiliates:

The Southern New England Telephone Company (19.9% owned)
Cincinnati Bell Inc. (28.7% owned)

Transfer Offices:

American Telephone and Telegraph Company
180 Fulton Street
New York, New York 10007

250 Broadway
15th floor
New York, New York 10007

444 Hoes Lane
Piscataway, New Jersey 08854

Stock Exchange(s): New York, Boston, Philadelphia, Pacific, Midwest.

Ticker Symbol: T

Number of Employees:

1979	1,029,905	1977	946,085
1978	985,000	1976	927,200

Sales and Earnings

	Operating Revenues (000's)	Net Income (000's)
1980	$ 51,680,000	$ 6,080,000
1979	46,183,000	5,674,000
1978	41,744,000	5,273,000
1977	37,003,000	4,480,000
1976	33,114,000	3,785,000

	No. of Com. Shares #	Earn. per Share #
1980	723,516,000	$8.19
1979	686,109,000	8.04
1978	659,843,000	7.74
1977	625,878,000	6.86
1976	595,184,000	5.98

# Based on average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$5.00	—	—
1979	5.00	—	—
1978	4.60	—	—
1977	4.20	—	—
1976	3.80	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share#
1980	$ 49,447,600	$68.34
1979	44,488,205	64.84
1978	40,618,208	61.56
1977	37,271,735	59.55

# Based on average number of shares outstanding.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 50,791,200	$ 45,408,078
Expenses	34,187,100	30,204,660
Operating taxes	7,645,600	7,220,735
Operating income	$ 8,958,500	$ 7,982,683
Other income	(889,300)	(775,165)
Interest expense	3,768,100	3,083,600
Net Income	$ 6,079,700	$ 5,674,248

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 1,000,200	$ 862,600
Accts. receiv., net	6,729,400	5,832,700
*Inventories	971,700	906,500
Prepaid expenses	203,300	177,900
Current Assets	$ 8,904,600	$ 7,779,700
Investments	5,333,100	4,688,200
#Fixed assets	110,022,600	99,858,100
Defer. charges	1,190,500	1,076,200
Total Assets	$125,450,800	$113,402,200

Liabilities
(000's)

Long-term debt, curr.	$ 4,342,100	$ 4,078,200
Accts. payable	3,182,400	3,255,000
Advanced billing & customers' deposits	1,265,900	1,088,300
Accrued interest	994,600	850,100
Dividends payable	984,000	935,900
Income taxes	1,214,900	1,057,800
Other taxes	1,422,800	1,304,100
Deferred inc. taxes	506,000	409,000
Curr. Liabilities	$ 13,912,700	$ 12,978,400
Long-term debt	41,255,000	37,167,900
Deferred credits	17,929,000	15,184,200
Minority interest	946,800	1,563,100
+ Pref. stock-subj. to redemp.	384,700	432,900
+ Pref. stock-subj. to mand. redemp.	1,575,000	1,587,500
+ + Common stock	12,580,400	11,689,500
Add. paid-in capital	12,703,700	10,942,200
Reinvested earnings	24,163,500	21,856,500
Total Liabilities & Shareholders' Equity	$125,450,800	$113,402,200

* At average cost.
# Less accumulated depreciation.
+ $1 par value. ;
+ + $16⅔ par value.

Statistical Summary

%Net Income to Sales	11.97	12.50
%Net Income to Equity	12.30	11.80
Shareholders' Equity	$49,447,600,000	$44,488,200,000

Ametek, Inc.

410 Park Avenue
New York, New York 10022
(212) 935-8640

Operations Headquarters:
Station Square Two
Paoli, Pennsylvania 19301
(215) 647-2121

Officers: John H. Lux, chairman of the board and chief executive officer; Robert L. Noland, president; Russell R. Menard, sr. v.p.-finance; John P. Dandalides, sr. v.p.-Midwestern operations; Robert F. Lane, sr. v.p.-Eastern operations; Neal R. Stark, v.p.; Robert A. Russell, v.p.-marketing; Ferenc Schmidt, v.p.-technical director; Murray A. Luftglass, v.p.-corporate development; Allan Kornfeld, comptroller; Wallace E. Cowan, secretary; Robert J. Coffman, treasurer & asst. secretary.

Directors: Hulbert S. Aldrich, Helmut N. Friedlaender, Samuel Hoffman, Peter I.B. Lavan, Charles D. Klein, John H. Lux, Robert L. Noland, Anthony A. Sirna III, Leon S. Peters.

Divisions:

Electro Mechanical Group

Lamb Electric
627 Lake Street
Kent, Ohio 44240
(216) 673-3451
Fractional horsepower electric blower, gear and servo motors.

Lamb Electric
Water Street
Cambridge, Ohio 43725
(614) 439-1392
Vacuum motors for floor care equipment.

Lamb Electric
704 Myrtle Drive
Graham, North Carolina 27253
(919) 229-5591
Fractional horsepower electric motors.

Ametek, Inc.

Lamb Electric
2745 Chicory Road
Racine, Wisconsin 534[illegible]
(414) 554-6313
Vacuum and blower motors.

Los Angeles Die Casting
340 Crocker Street
Los Angeles, California 90013
(213) 624-2322
Custom aluminum and zinc die-casting.

Straza
790 Greenfield Drive
El Cajon, California 92021
(714) 442-3451
Aerospace components, electro-acoustic and cryogenic systems.

Lamb Electric
South Grensboro Street
Carrboro, North Carolina 27510
(919) 929-2153
Fractional horsepower motors.

Offshore Research & Engineering
1224 Coast Village Circle
Santa Barbara, California 93108
(805) 969-4775
Off shore systems engineering.

U.S. Bellows
9484 Mission Park Place
Santee, California 92071
(714) 449-0202

Precision Instruments Group

McCrometer
3255 W. Stetson Avenue
Hemet, California 92343
(714) 658-7178
Specialty flowmeters.

Hunter Spring
One Spring Avenue
Hatfield, Pennsylvania 19440
(215) 822-2971
Patented springs, wire forms and reels.

Controls
860 Pennsylvania Boulevard
Feasterville, Pennsylvania 19047
(215) 355 6900
Electronic-pneumatic instruments, recorders, controllers.

Mansfield & Green
6185 Cochran Road
Solon, Ohio 44139
(216) 248-1020
Pressure testing and calibration instruments.

Microelectronics
605 S. Douglas Street
El Segundo, California 90245
(213) 640-2860

U.S. Gauge
900 Clymer Avenue
Sellersville, Pennsylvania 18960
(215) 257-6531
Aircraft, automotive and industrial pressure and temperature instruments.

U.S. Gauge
450 Polk Street
Bartow, Florida 33930
(813) 534-1504

DAN
2905 Blue Star Street
Anaheim, California 92806
(714) 630-0081
Thermisters, electronics.

THERMOX
6592 Hamilton Avenue
Pittsburgh, Pennsylvania 15206
(412) 361-7107
Oxygen measuring instruments and combustibles analyzers.

Process Equipment Group

Grand Prairie
Heat Transfer
2300 W. Marshall Drive
Grand Prairie, Texas 75050
(214) 647-2626
Heat exchangers.

Process Equipment
26531 Ynez Road
Temecula, California 92390
(714) 676-4011
Tollhurst, Niagara and Filtration Engineers liquid-solids separation equipment.

Texas Flange
1127 Siber Road
Houston, Texas 77055
(713) 686-9611
Machined steel pipe couplings and flanges.

Valley Foundry & Machine
2510 S. East Avenue
Fresno, California 93706
(209) 233-6135
Process and storage vessels, filters and pumps.

Schutte & Koerting
State Road & Traylor Avenue
Cornwells Heights, Pennsylvania 19020
(215) 639-0900
Jet apparatus, flow measuring instruments, valves and desuperheaters.

Schutte & Koerting
2381 Philmon Avenue
Bethayres, Pennsylvania 19006
(216) 947-1405
Heat exchangers and pollution control equipment.

Industrial Materials Group

Pacific Extrustion
1715 W. Beach Street
Watsonville, California 95076
(408) 724-2244
Extruded and custom-finished aluminum for automotive aircraft, appliance and communications industries.

Aluminum Extrusion
3024 Treadwell Street
Los Angeles, California 90065
(213) 255-1511
Aluminum extrusions.

Plymouth Products
502 Indiana Avenue
Sheboygan, Wisconsin 53081
(414) 457-9435
Proprietary plastic products for utility and traffic control uses; custom molding for original equipment manufacturers.

Westchester Plastics
Green Acres Industrial Park
Nesquehoning, Pennsylvania 18240
(717) 645-2191
Color compounding of plastic and elastomeric raw materials.

Westchester Plastics
14097 Cemetery Road
Wapakoneta, Ohio 45895
(419) 738-2141
Custom-formulated industrial plastic compounds.

Special Filaments
351 Telegraph Road
Odenton, Maryland 21113
(301) 569-4500
Monofilaments and thermoplastic materials.

Silicon Materials, Inc.
341 Moffett Boulevard
Mountain View, California 94043
(415) 965-9890
Supplier of semiconductor and solar energy cell materials.

Subsidiaries & Affiliates:

AMETEK (Canada) LTD.
Montreal, Quebec, Canada
Laundry equipment for commercial, hospital and hotel installations; drycleaning equipment.

AMETEK, G.m.b.H.
Wiesbaden, Germany
Management and marketing for AMETEK's foreign operations.

Ketema, Ltd.
Hamilton, Bermuda

Metron, S.A.
Naucalpan de Juarez, Mexico
AMETEK-licensed instruments in Latin America.

Aquisitions:

Rodan Industries, Inc.
Anaheim, California
Manufactures thermistors, a solid-state device which produces precise changes in electrical resistance as temperatures increase or decrease.

McCrometer Corp.
Hemet, California
Specialty flowmeters for municipal, agricultural water systems.

Transfer Agent(s):

Chase Manhattan Bank, N.A.
One New York Plaza
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: AME

Number of Employees:

1980	6,700	1977	6,100
1979	7,300	1976	5,700
1978	6,300		

Plant Footage:

1980	2,970,252 sq. ft.	1977	2,820,262
1979	2,970,252	1976	3,500,000
1978	2,820,262		

Sales and Earnings

	Net Sales	Net Income
1980	$400,179,564	$21,664,884
1979	392,872,657	22,442,356
1978	320,701,403	19,402,149
1977	298,650,885	17,215,380
1976	241,061,365	14,280,021

	No. of Com. Shares ‡	Earn. per Share †
1980	10,787,939	$ 2.02
1979	10,658,892	2.11
1978	10,530,428	1.85
1977	10,430,986	1.66
1976	10,163,774	1.42

‡ Adjusted to reflect stock split.
† Based on average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1980	1979
Electro-mechanical	$137,885,000	$126,415,000
Process equipment	70,742,000	76,312,000
Precision instruments	108,076,000	107,696,000
Industrial materials	83,477,000	82,450,000
Total	$400,180,000	$392,873,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.00	—	—
1979	0.925	—	2-for-1
1978	0.825	—	—
1977	0.725	—	—
1976	0.60	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$126,670,134	$11.74
1979	114,171,081	10.71
1978	100,426,690	9.54

1977	88,827,036	8.52
1976	76,869,222	7.56

‡ Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$400,179,564	$392,872,657
Cost of sales	313,056,333	311,278,543
Expenses	35,344,001	30,709,477
Depreciation	8,568,593	7,128,823
Other charges	951,753	259,458
Income before taxes	$ 42,258,884	$ 43,496,356
Income taxes	20,594,000	21,054,000
Net Income	$ 21,664,884	$ 22,442,356

Assets

As of Dec. 31	1980	1979
Cash	$ 43,411,473	$ 38,768,255
Accts. & notes receiv., net	58,232,238	51,011,719
*Inventories	47,760,631	54,776,114
Prepaid expenses & deposits	4,636,712	1,416,404
Current Assets	$154,041,054	$145,972,492
#Fixed assets	87,642,691	73,362,480
Other assets	12,320,905	6,898,373
Total Assets	$254,004,650	$225,233,345

Liabilities

Long-term debt, curr.	$ 2,018,000	$ 2,011,000
Accts. payable	25,825,403	23,556,949
Accruals	24,421,040	19,412,367
Income taxes	6,795,701	4,510,424
Curr. Liabilities	$ 59,060,144	$ 49,490,740
Long-term debt	56,119,372	53,139,524
Deferred inc. taxes	12,155,000	8,432,000
+Common stock	10,995,773	10,866,726
Add. paid-in capital	5,356,657	3,892,727
Retained earnings	111,538,184	100,632,108
Treasury stock	(1,220,480)	(1,220,480)
Total Liabilities & Shareholders' Equity	$254,004,650	$225,233,345

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.56	11.07
%Net Income to Sales	5.41	5.71
%Net Income to Equity	17.10	19.66
Sales to Inventories	8.38	7.17
Working Capital	$ 94,980,910	$ 96,481,752
Current Ratio	2.61	2.95
Shareholders' Equity	$126,670,134	$114,171,081

AMF Incorporated

777 Westchester Avenue
White Plains, New York 10604
(914) 694-9000

Officers: W. Thomas York, chairman & chief executive officer; Ray A. Tritten, president & chief operating officer; Merlin E. Nelson, vice chairman-planning & foreign affairs; Stanley Groner, exec. v.p.-admn.; Hans W. Lange, exec. v.p.-operations, Industrial products; William P. Sovey, exec. v.p.-operations, Leisure products; Vaughn L. Beals, Jr., John R. Mummert, H. David Culley, George J. Kaltner, Robert J. Conway, Frederick A. Poss, Bill W. Sorenson, vice presidents & group executives; Frank C. Chillrud, vice president & treasurer; Raymond S. Babayan, v.p.-management info. systems; Eldon E. Fox, v.p.-public affairs; Bradley E. Hosmer, v.p.-group services; Roy C. Reeves, v.p.-marketing; Thomas W. Butler, Jr., v.p.-engineering & research; J. Edward Sheridan, v.p.-finance; Donald A. Webster, v.p.-govt. relations; Bernard E. Conor, v.p.-international trade operations; John S. Johnson, v.p. & general counsel; Gary B. Ward, v.p.-planning & corp. development; Paul B. Haigwood, vice president & secretary; Frank X. Forker, vice president & comptroller; Paul A. Benke, v.p.; Joseph P. D'Arezzo, v.p.-World Trade Development; Timothy C. Sullivan, v.p.-finance.

Directors: W. Thomas York, chairman of the board; William H. Bricker, David W. Mitchell, Ray A. Tritten, Malcolm Baldridge, John F. McGillicuddy, Merlin E. Nelson, Herbert P. Patterson, Barbara Knowles Debs, Francis C. Rooney, Jr., Rodney C. Gott, Andrew C. Sigler.

Electronic & Related Divisions & Subsidiaries:

Paragon Electric Company
606 Parkway Boulevard
Two Rivers, Wisconsin 54241
(414) 793-1161

Electric timing devices; time controls; time switches; defrost controls; cycle repeaters; interval, reset and sequence timers; time delay relays; synchronous clock and drive-type motors; shaded pole motors; photo-electric controls; security devices; permanent magnet motors; ground fault circuit interrupters.

Potter & Brumfield Division
200 Richland Creek Drive
Princeton, Indiana 47671
(812) 386-1000

"P & B" electro-mechanical relays, including general purpose, power, special purpose, sensitive, high performance, dry reed, mercury-wetted reed, and telephone types. Solid state time delays; sequence and voltage sensors. All solid state and hybrid relays. Precision snap-action switches. Custom control assemblies; circuit breakers.

UID Electronics Division
4105 Pembroke Road
Hollywood, Florida 33021
(305) 981-1211

Elctro-mechanical switches for appliances, home entertainment equipment and electronic instrumentation.

RCL Electronics Division
700 South 21st Street
Irvington, New Jersey 07111
(201) 374-3311

Precision and power wire-wound resistors, resistive networks, delay lines, and electromechanical rotary and programmable switches.

Industrial Equipment and Services
AMF Cuno Division
400 Research Parkway
Meriden, Connecticut 06450
(203) 237-5541

Industrial and domestic filters and strainers for liquids and gases; demineralizers and reverse osmosis systems for industrial water conditioning.

AMF Tuboscope, Inc.
2919 Holmes Road
Houston, Texas 77001
(713) 749-5100

Field inspection services for oil field tubular goods, automated equipment for production line inspection of welded and seamless tubular goods; in-place inspection of pipe lines; plastic coatings for tubular goods, tanks and other metal products.

AMF York Division
1425 Eden Road
York, Pennsylvania 17402
(717) 848-1177

Manufacture and assembly of Harley-Davidson motorcycles; manufacture of automatic handling and processing equipment; automatic bowling pinspotter and related lane equipment; commercial and government contract products.

AMF Tire Equipment Division
P.O. Box 1142
Santa Ana, California 92702
(714) 544-6900

Orbitread electronic treadmaker automates the application of tread rubber to use and new tire casings for off-the-road, truck and passenger tires.

Acquisition(s):

Wyott Corporation
Cheyenne, Wyoming

A producer of food service products for restaurants and fast food outlets.

Maark Corporation
Plainsboro, New Jersey

Manufactures aluminum tennis rackets.

Cullum Services, Inc.
Bakersfield, California

Engaged in the manufacture, licensing and operations of oil field service equipment.

Transfer Agent(s):

Manufacturers Hanover Trust Company
(common and preferred stock)
4 New York Plaza
New York, New York 10015

Continental Illinois National Bank and Trust
Company of Chicago (common stock)
30 North LaSalle Street
Chicago, Illinois 60693

Bank of America National Trust and Savings
Association (common stock)
55 Hawthorne Street
San Francisco, California 94105

Stock Exchange(s): New York, Midwest, Pacific, London

Ticker Symbol: AMF

Number of Employees:

1980	26,040	1977	30,152
1979	29,138	1976	30,464
1978	28,580		

Sales and Earnings

	Revenues (000's)	Net Income (000's)
1980	$ 1,534,030	$ 56,593
1979	1,438,352	52,596
1978	1,318,809	45,375
1977	1,217,059	39,560
1976	1,115,332	38,011

	No. of Com. Shares #	Earn. per Share #
1980	20,455,212	$2.76
1979	20,290,184	2.59
1978	20,163,001	2.25
1977	20,051,369	1.97
1976	19,958,346	1.90

# Based on the weighted average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Bowling prods.	$ 145,426	$ 134,477
Marine prods.	88,615	119,989
Motorcycle prods.	289,835	247,290
Sports prods.	270,031	245,445
Wheel goods & lawn & garden prods.	160,910	212,648
Automated process equipment	142,188	111,697
Electronic controls & systems	191,448	176,625
Energy serv. & prods.	171,221	124.224
Specialty materials	74,356	65,957
Total	$ 1,534,030	$ 1,438,352

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.24	—	—
1979	1.24	—	—
1978	1.24	—	—
1977	1.24	—	—
1976	1.24	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share +
1980	$446,295,900	$21.82
1979	412,280,900	20.32
1978	382,511,900	18.97

AMF Incorporated

‡ After allowing for preferred stock at par value.
+ Based on the weighted average number of shares outstanding.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 1,499,218	$ 1,403,631
Rentals	34,812	34,721
Total income	$ 1,534,030	$ 1,438,352
Cost of sales & operating expenses	1,056,911	1,008,884
Expenses	323,590	286,866
Depreciation & amortization	47,795	42,164
Other income	(17,973)	(18, 110)
Net for exch. loss	1,091	2,033
Interest expense	25,758	21,622
Income before taxes	$ 96,858	$ 94,893
Income taxes	40,265	42,297
Net Income	$ 56,593	$ 52,596

Assets

As of Dec. 31	1980	1979
Cash	$ 36,794	$ 24,208
Notes and accounts receiv. net	350,239	323,827
*Inventories	200,573	238,751
Prepaid expenses	20,255	19,961
Current Assets	$ 607,861	$ 606,747
# Fixed assets	318,043	275,720
# Machines leased to customerf	18,602	20,827
Other assets	34,815	36,086
Total Assets	$ 979,321	$ 939,380

Liabilities

	1980	1979
Notes payable	$ 16,119	$ 8,024
Long-term debt, curr.	20,806	7,615
Accts. payable	89,969	124,019
Accruals	141,340	123,281
Income taxes	49,608	41,571
Curr. Liabilities	$ 317,842	$ 304,510
Long-term debt	157,279	168,398
Cap. lease oblig.	14,751	16,090
Deferred inc. taxes	41,827	36,773
+ Preferred stock	2,000	2,200
+ + Common stock	37,672	37,401
Add. paid-in capital	73,290	71,223
Retained earnings	364,800	333,625
Treasury stock	(30,140)	(30,840)
Total Liabilities & Shareholders' Equity	$ 979,321	$ 939,380

*At lower of cost or market. Domestic inventories at LIFO, other inventories at FIFO or average.
# Less accumulated depreciation.
+ $100 par value; $3.90% cumulative.
+ + $1.75 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	6.46	6.76
%Net Income to Sales	3.77	3.75
%Net Income to Equity	12.64	12.72
Sales to Inventories	7.47	5.88
Working Capital	$290,019,000	$302,237,000
Current Ratio	1.91	1.99
Shareholders' Equity	$447,622,000	$413,609,000

AMP Incorporated/Pamcor, Inc.

Eisenhower Boulevard
Harrisburg, Pennsylvania 17105
(717) 564-0100

Officers: J.D. Brenner, chairman of the board & chief executive officer; Walter F. Raab, vice chairman & chief financial officer; Harold A. McInnes, president & chief operating officer; Herman C. Haas, v.p.-director of marketing; John E. Eberle, v.p.-operations; Mark L. Miller, treasurer; Benjamin Savidge, controller; Hugo A. Walfred, secretary & general legal counsel; Gerald F. Englehart, v.p.-international.

Directors: J.D. Brenner*, R.M. Brumfield*, Alexander P. Hixon, R.E. Jordan, Walter F. Raab*, R.D. DeNunzio, J.J. Burdge, Harold A. McInnes*, William S. West.

*Member of the Executive Committee.

Areas of Work: The company produces electrical and electronic connections, switching and programming devices-including solderless terminals, splices, packaging and interconnection devices, multiple and coaxial connectors, switches and programming systems-and 'he application tools and machines to attach these devices to wires, cables, or circuit boards. It also produces electronic power units and other electrical/electronic components.

Subsidiaries:

AMP Products Corporation
Valey Forge, Pennsylvania

AMP of Canada, Ltd.
Toronto, Canada

AMP de France
Paris, France

AMP Holland B.V.
s'Hertogenbosch, The Netherlands

AMP of Great Britain Limited
London, England

AMP Italia S.p.A.
Turin, Italy

AMP Deutschland G.m.b.H.
Frankfurt, West Germany

AMP Espanola, S.A.
Barcelona, Spain

AMP (Japan), Ltd.
Tokyo, Japan

Australian AMP Pty, Limited
Sydney, Australia

AMP de Mexico, S.A.
Mexico City, D.F. Mexico

AMP S.A. Argentina
Buenos Aires, Argentina

AMP Finland OY
Helsinki, Finland

AMP do Brasil Ltda.
Sao Paulo, Brazil

AMP A.G.
Lucerne, Switzerland

AMP Osterreich Ges.m.b.H.
Vienna, Austria

AMP Norse A/S
Oslo, Norway

AMP Svenska A.B.
Stockholm, Sweden

AMP Singapore Pte. Ltd.
Singapore

AMP Taiwan
Taipei, Taiwan

AMP Belgium*
Brussels, Belgium

AMP Denmark*
Viby, Denmark

AMP Products Pacific Ltd.
Hong Kong

AMP Ireland Limited
Dublin, Ireland

New Zealand AMP Ltd.
Aukland, New Zealand

* Branch of AMP-Holland B.V.

Transfer Agent(s):

Manufacturers Hanover Trust Company
Four New York Plaza
New York, New York 10015

The Continental Stock Transfer and Trust Company
30 Montgomery Street
Jersey City, New Jersey 07302

Stock Exchange(s): New York

Ticker Symbol: AMP

Number of Employees:

1980	18,650	1977	15,075
1979	18,625	1976	13,940
1978	16,925		

Plant Footage:

1980	6,300,000 sq. ft.	1977	5,000,000
1979	5,900,000	1976	5,400,000
1978	5,400,000		

Sales and Earnings

	Net Sales	Net Income
1980	$1,155,382,000	$131,274,000
1979	1,013,241,000	121,286,000
1978	801,066,000	97,696,000
1977	632,975,000	75,926,000
1976	522,016,000	52,040,000

	No. of Com. Shares	Earn. per Share ‡
1980	36,000,000	$3.65
1979	36,000,000	3.36
1978	36,200,000	2.67
1977	36,700,000	2.06
1976	36,990,000	1.40

‡ Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$1.00	—	—
1979	0.76	—	—
1978	0.60	—	—
1977	0.48	—	—
1976	0.41	—	—

‡ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$577,744,000	$16.05
1979	481,289,000	13.37
1978	394,207,000	10.89
1977	334,813,000	9.12
1976	284,323,000	7.69

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$1,155,382,000	$1,013,241,000
Cost of sales	699,417,000	582,892,000
Expenses	222,182,000	195,615,000
Interest expense	14,237,000	10,011,000
Other income	(11,178,000)	(3,233,000)
Income before taxes	$230,724,000	$227,956,000
Income taxes	99,450,000	106,670,000
Net Income	$131,274,000	$121,286,000

* Included in Costs and Expenses, Depreciation: $41,902,000 in 1980 and $33,938,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 12,515,000	$ 14,299,000
Marketable securities	62,742,000	54,119,000
Time deposits	16,771,000	26,747,000

Receiv., net	208,475,000	202,488,000
*Inventories	289,645,000	248,687,000
Other curr. assets	19,147,000	24,699,000
Current Assets	$609,295,000	$571,039,000
Investments & other assets	764,000	1,048,000
# Fixed assets	319,133,000	251,940,000
Total Assets	$929,192,000	$824,027,000
Liabilities		
Loans & notes payable	$ 50,134,000	$ 49,709,000
Long-term debt, curr.	2,134,000	4,176,000
Accts. payable	60,305,000	65,542,000
Accruals	17,127,000	16,775,000
Accrued payroll	35,386,000	32,557,000
Accrued inc. taxes	76,405,000	77,605,000
Curr. Liabilities	$241,491,000	$246,364,000
Long-term debt	50,053,000	48,454,000
Invest. tax credit	10,696,000	8,200,000
Deferred income	22,928,000	18,759,000
Deferred inc. taxes	26,280,000	20,961,000
+ Common stock	12,480,000	12,480,000
+ + Common Stock	20,000	20,000
Add. paid-in capital	3,729,000	3,183,000
Retained earnings	595,785,000	500,479,000
Treasury stock	(34,270,000)	(34,873,000)
Total Liabilities & Shareholders' Equity	$929,192,000	$824,027,000

* At lower of cost (average) or market.
# Less accumulated depreciation.
+ No par value, AMP Incorporated.
+ + $1 par value, Pamcor, Inc.

Statistical Summary

%Income before Taxes to Sales	19.97	22.50
%Net Income to Sales	11.36	11.97
%Net Income to Equity	22.72	25.20
Sales to Inventories	3.99	4.07
Working Capital	$367,804,000	$324,675,000
Current Ratio	2.52	2.32
Shareholders' Equity	$577,744,000	$481,289,000

Ampex Corporation

401 Broadway
Redwood City, California 94063
(415) 367-2011

Officers: Richard J. Elkus, chairman of the board & chairman of the exec. committee; A.H. Hausman, president & chief executive officer; C.V. Andersen, C.A. Steinberg, exec. v.p.'s; D.V. Kleffman, R.C. Ballintine, D.J. Chapman, G.J. Ziadeh, M.P. Bennett, C.P. Ginsburg, J.L. Porter, C. Ridley Rhind, V.E. Ragosine, vice presidents; R. McAdams, Jr., v.p. & controller; Will A. Wedel, v.p.-industrial relations; D.F. Flanigan, general counsel & secretary; V.F. Titolo, v.p. & treasurer; M. Scoles, asst. secretary, H.F. Nelson, R. A. Holub, asst. treasurers.

Directors: A.V. Adey, R.L. Gibson, Richard J. Elkus, Nathan W. Pearson, J. Frank Leach, Arthur H. Hausman, K.C. Christensen, Arch Monson, Jr., Jerome W. Hull, Anthony F. Garcia.

Areas of Work: Ampex is engaged in the development, manufacture, sale, distribution, lease, and servicing of, and research relating to, magnetic recording equipment and accessory products. Audio-video products are comprised of professional audio and video recording systems for the studio and mobile applications. Principal products include video and audio tape recorders and accessories, transport synchronizing and control equipment, computerized image storage and retrieval systems and "instant replay" devices, automated video tape programmers, switchers and computerized editing systems, automated broadcast video cassette recorders and studio and portable color television cameras. Data-memory products are comprised of data recording and retrieval equipment, such as digital/analog tape drives, digital disk drives, mass storage systems and memory for computer systems and minicomputers. Principal products include standard and custom-designed instrumentation recorders, digital disk and tape drives, mass storage systems, ferrite cores, planar stacks, memory modules, semiconductors, and complete add-on and add-in memory systems for a broad base of commercial and government applications. Magnetic tape products are comprised of magnetic media for profesional and consumer recording or for data storage and handling and duplication services for marketers of prerecorded tape. Principal products include consumer audio tape, professional audio tape, video tape, each in several configurations for professional and consumer applications, and instrumentation tape, business disks, cassettes and magnetic cards, plastic components and accessory items associated with recording; principal service of the segment was custom duplication. International Division operates throughout most of the world.

Divisions:

Audio Video Systems Division
401 Broadway
Redwood City, California 94063
(415) 367-2011

Magnetic Tape Division
401 Broadway
Redwood City, California 94063
(415) 367-2011

P.O. Box 190
(Marvyn Highway)
Opelika, Alabama 36801
(205) 745-7643)

Data Systems Division
401 Broadway
Redwood City, California 94063
(415) 367-2011

Advanced Technology Division
401 Broadway
Redwood City, California 94063
(415) 367-2011

Memory Products Division
200 North Nash Street
El Segundo, California 90245
(213) 640-0150

Marketing
401 Broadway
Redwood City, California 94063
(415) 367-2011

International Division
401 Broadway
Redwood City, California 94063
(415) 367-2011

Subsidiaries:

Ampex Magnetic Tape Corporation
401 Broadway
Redwood City, California 94063
(415) 367-2011

Ampex International Operations, Inc.
401 Broadway
Redwood City, California 94063
(415) 367-2011

Ampex International Sales Corporation
401 Broadway
Redwood City, California
(415) 362-2011

APX Participacoes e Empreedimentos Ltda.
Rua Mexico No. 31. 15th Floor, Suite 1502
Rio de Janeiro, Brazil

Ampex Military Products Company
401 Broadway
Redwood City, California 94063
(415) 367-2011

Ampex Record Corp.
401 Broadway
Redwood City, California 94063
(415) 367-2011

Clear Sky Music, Inc.
401 Broadway
Redwood City, California 94063

Deer Patch Music, Inc.
401 Broadway
Redwood City, California 94063

Sweet River Music, Inc.
401 Broadway
Redwood City, California 94063

Ampex Switcher Company
10604 West 48th Avenue
Wheat Ridge, Colorado 80033

Ampex Credit Corporation
401 Broadway
Redwood City, California 94063
(415) 367-2011

Electronica Ampex Argentina S.A.C.I.
Esmeralda 345, 10th Floor
Casilla de Correo No. 5403
Buenos Aires, Argentina

Ampex do Brasil Eletronica Ltda.
Conjunto 1.502-15° Bloco D
Bloco D
Rua Mexico #31
20.000 Rio de Janeiro, Brazil

Ampex Pan American Company
401 Broadway
Redwood City, California 94063
(415) 367-2011

Ampex Canada Inc.
132 East Drive
Bramalea, Ontario, Canada L6T 3T9
(416) 791-3100

Ampex de Colombia, S.A.
Apartado Aereo No. 29613
Avenida 40A No. 13-09, OFC. 1103
Bogota, D.E. Colombia

Ampex de Mexico S.A. de C.V.
Apartado Postal No. 13-615
Division del Norte No. 1832
Mexico 13, D.F. Mexico

Ampex Cintas Magneticas, S.A.
Parque Industrial Bermudez
Kilometer 3
Juarez-Porvenir Highway
Juarez, Chihuahua, Mexico

Ampex S.A.
Rue de L'Industrie, 8
B-1400 Nivelles, Belgium

Ampex S.A.R.L.
21 Rue du Dome
92100 Boulogne, France

Ampex Europa G.m.b.H.
Walter-Kolb-Strasc 9-11
6000 Frankfurt/Main 70, West Germany

Ampex Italiana S.p.A.
Via Riccardo Gigante, 4
00143 Roma, Italy

Ampex B.V.
P.O. Box 9026
Zamenhofdreef 65A
Utrecht, Netherlands

Aktiebolaget Ampex
P.O. Box 7056
S-172 07 Sundyberg, Sweden

Ampex International S.A.
1701 Fribourg
Rue de Romont 29
P.O. Box 1031
Switzerland

Ampex World Operations, S.A.
1701 Fribourg
Route des Arsenaux 9
P.o. Box 1031
Switzerland

Ampex Electronics Limited
Acre Road
Reading, Berkshire RG2, OQR
England

Ampex Great Britain Limited
Acre Road
Reading; Berkshire,England RG2, OQR

Ampex Corporation

Ampex Australia Pty. Limited
4 Carlotta Street
Artarmon
Sydney, New South Wales 2064, Australia

Ampex Ferrotec Limited
603 Tai Nam West Street
6/F and 7/F
Kowloon, Hong Kong, B.C.C.

Ampex Japan, Ltd.
3-3 Kojimachi, 3 Chome
Chiyoda-Ku
Tokyo 102, Japan

Ampex Taiwan Limited
Taoyuan P.O. Box 188
46 Hsing Pang Road
Ta Lin Li
Taoyuan, Taiwan
Republic of China

Affiliates:

APG Electronica, S.A.
Rua Funchol, 314
State of Sao Paulo, Brazil

Aurex, S.A. de C.V.
Calzada Tulye No. 3370
Mexico 23 D.F.

Toshiba Ampex Co., Ltd.
555 Toriyama-Cho
Kohoku-Ku
Yokohama 222, Japan

Transfer Agent(s):

Wells Fargo Bank, N.A.
464 California Street
San Francisco, California 94120

Stock Exchange(s): Listed: New York, Pacific, Unlisted: Boston, Cincinnati, Phila-Balt-Wash.,Midwest.

Ticker Symbol: APX

Number of Employees:

1979	12,000	1977	10,800
1978	12,180	1976	10,000

Plant Footage:

1979	2,405,627 sq. ft.	1977	2,455,958
1978	2,261,146	1976	2,617,597

Sales and Earnings

	Net Sales†	Net Income‡
1980	$469,120,000	$ 34,659,000
1979	379,870,000	27,351,000
1978	322,050,000	19,742,000
1977	287,429,000	14,224,000
1976	257,935,000	8,032,000

	No. of Com. Shares	Earn. per Share‡#
1980	11,099,000	$3.03
1979	11,028,000	2.41
1978	10,946,000	1.76
1977	10,918,000	1.31
1976	10,885,000	0.74

† Includes other income.

‡ Including extraordinary gains of $10,400,000 ($0.91 per share) in 1980, $9,200,000 ($0.81 per share) in 1979, $6,500,000 ($0.58 per share) in 1978, $5,435,000 ($0.50 per share) in 1977 and $1,355,000 ($0.12 per share) in 1976.

# Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$165,749,000	$14.93
1979	132,507,000	12.02
1978	104,386,000	9.54
1977	84,525,000	7.74
1976	70,166,000	6.45

Income Account *

Year ended	4/28/80	4/28/79
Net sales	$460,122,000	$372,414,000
Other income	8,998,000	7,456,000
Total income	$469,120,000	$379,870,000
Cost of sales	319,982,000	265,166,000
Expenses	98,606,000	74,512,000
Interest expense	6,373,000	7,041,000
Income before taxes	$ 44,159,000	$ 33,151,000
Income taxes	19,900,000	15,000,000
Net Income	$ 24,259,000	$ 18,151,000
Extraord. gain	10,400,000	9,200,000
Net Income & extraord. gain	$ 34,659,000	$ 27,351,000

* Included in Costs and Expenses, Depreciation: $7,766,000 in 1980, and $6,510,000 in 1979.

Assets

As of	4/28/80	4/28/79
Cash	$ 6,302,000	$ 6,512,000
Accts. & notes receiv., net	106,497,000	95,938,000
* Inventories	147,015,000	129,802,000
Deferred taxes	19,978,000	5,235,000
Current Assets	$279,792,000	$237,487,000
Investments & other assets	6,380,000	7,710,000
#Fixed assets	61,878,000	50,254,000
Noncurr. receiv.	2,570,000	8,021,000
Total Assets	$350,620,000	$303,472,000

Liabilities

Long-term debt, curr.	$ 6,342,000	$ 8,315,000
Accts. payable	19,874,000	18,891,000
Cust. deposits	5,655,000	5,769,000
Accrued payroll	27,147,000	21,471,000
Income taxes	29,820,000	16,065,000
Other liab.	18,650,000	15,934,000
Curr. Liabilities	$107,488,000	$ 86,445,000
Long-term debt:		
Credit & security agmt.	20,000,000	23,333,000
5½% conv. subord. deben.	57,000,000	60,000,000
Other debt	383,000	1,187,000
+ Common stock	11,099,000	11,028,000
Add. paid-in capital	55,359,000	54,635,000
Retained earnings	99,291,000	66,844,000
Total Liabilities & Shareholders' Equity	$350,620,000	$303,472,000

* At lower of average cost or net realizable market value.

# Less accumulated depreciation.

+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.60	8.90
%Net Income to Sales	5.27	4.87
%Net Income to Equity	14.64	13.70
Sales to Inventories	3.13	2.87
Working Capital	$172,304,000	$51,042,0000
Current Ratio	2.60	2.75
Shareholders' Equity	$165,749,000	$132,507,000

Analog Devices, Inc.

Route 1 Industrial Park
P.O. Box 280
Norwood, Massachusetts 02062
(617) 329-4700

Officers: Ray Stata, chairman of the board & president; Joseph M. Hinchey, sr. v.p.-finance; Lawrence T. Sullivan, sr. v.p.-corporate development & gen. mgr., Analog Devices Enterprises; Heinrich F. Krabbe, v.p.-new business development; Russell W. Olive, v.p.-human resources; A. Graham Sterling, v.p.-strategic planning; Jerald G. Fishman, v.p. & gen. mgr., Analog Devices Semiconductor; John Corsi, group v.p.-data acquisition products; James R.F. Kunkemueller, treasurer; Melvin J. Sallen, group v.p.-sales; Paul P. Brontas, clerk.

Directors: Matthew Lorber, Ray Stata, Philip L. Lowe, Peter A. Hager, Gorden C. McKeague.

Areas of Work: Designs, manufactures and markets electronic components and subsystems used for the acquisition, conditioning, conversion, transmission and display of analog and digital data in precision measurement and control systems. Its products fall into three broad classes: Computer Interface products -analog-to-digital and digital-to-analog converters and accessories which inteconnect physical analog data to digital computers; analog products -operational amplifiers, instrumentation amplifiers, multipliers and dividers which modify analog data; and Modular Instruments -devices such as digital panel meters which convert analog signals into digital form and display the information so that it is readable.

Subsidiaries:

Analog Devices Limited
Central Avenue
East Molesey
Surrey, England

Analog Devices, GmbH
Mozartstrasse 17
8000 Munich 2
Germany

Analog Devices, S.A.
Centre D-Affaires SILIC
3, Rue Le Corbusier
94533 Rungis Batiment Berne
France

Analog Devices of Japan, Inc.
Jibiki Building
7-8 Kojimachi 4-chome
Chiyoda-ku, Tokyo, Japan

Analog Devices, A/S
Marielundrej 46D
2730 Herlev
Denmark

Analog Devices Benelux
Heerbann 222
Breda, Holland

Analog Devices Benelux
Jan van Rijswijcklaan 278
2020 Antwerpen Belgium

Analog Devices S.A.
2 Rue de Berne
1201 Geneva, Switzerland

Analog Devices B.V.
Raheen Industrial Estate
Limerick, Ireland

Transfer Agent(s):

The First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): New York

Ticker Symbol: ADI

Number of Employees:

1980	2,726	1977	1,343
1979	2,161	1976	1,098
1978	1,583		

Plant Footage:

1980	390,000	1977	176,000
1979	390,000	1976	145,000
1978	295,000		

Sales and Earnings

	Net Sales	Net Income
1980	$135,660,000	$ 9,443,000
1979*	100,281,000	7,145,000
1978	66,153,000	4,491,000
1977	50,427,713	2,708,412
1976	39,717,092	1,969,490

	No. of Com. Shares #	Earn. per Share #
1980	6,743,521	$1.40
1979	6,384,016	1.12
1978	6,004,965	0.75
1977	5,293,635	0.51
1976	4,794,145	0.41

* 53 weeks.

# Based on the weighted average number of shares outstanding adjusted to reflect stock dividends and stock splits.

Revenues By Line of Business

	1980	1979	1978	1977
Signal conditioning	38%	43%	53%	55%
Computer interface	50	47	39	35
Instruments and systems	12	10	8	10
Total	100%	100&	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	5-for-4
1979	—	—	2-for-1
1978	—	15%	—
1977	—	5%	—
1976	—	5%	—

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 49,337,000	$7.23
1979	33,453,000	5.28
1978	24,303,000	4.25
1977	19,190,314	3.48
1976	11,181,415	2.44

# Adjusted to reflect stock dividends and stock splits.

Income Account *

Year ended	11/1/80	11/3/79 (53 weeks)
Net sales	$135,660,000	$100,281,000
Cost of sales	65,145,000	50,050,000
Expenses	48,250,000	34,871,000
Other expense (income)	335,000	(124,000)
Interest expense	6,407,000	2,895,000
For. curr. losses	206,000	2,000
Income before taxes	$ 15,317,000	$ 12,587,000
Income taxes	5,194,000	4,705,000
Minority interest	680,000	737,000
Net Income	$ 9,443,000	$ 7,145,000

* Included in Costs and Expenses, Depreciation and Amortization: $6,267,000 in 1980 and $4,246,000 in 1979.

Assets

As of	11/1/80	11/3/79
Cash	$ 601,000	$ 623,000
Accts. receiv., net	34,792,000	24,283,000
*Inventories	41,511,000	26,246,000
Prepaid expenses	790,000	987,000
Prepaid taxes	600,000	500,000
Current Assets	$ 78,294,000	$ 52,639,000
#Fixed assets	42,341,000	28,265,000
Defer. charges & other assets	1,401,000	882,000
Intangibles	3,948,000	1,717,000
Total Assets	$125,984,000	$ 83,503,000

Liabilities

Notes payable	$ 941,000	$ 610,000
Oblig. under cap. leases	946,000	814,000
Accts. payable	9,421,000	6,418,000
Accruals	6,682,000	4,963,000
Income taxes	4,216,000	3,752,000
Curr. Liabilities	$ 22,206,000	$ 16,557,000
Long-term debt	48,257,000	25,482,000
Oblig. under cap. leases	4,068,000	4,778,000
Deferred inc. taxes	1,900,000	1,300,000
Other liabilities	216,000	220,000
Minority interest	—	1,713,000
+ Common stock	1,149,000	852,000
Add. paid-in capital	22,778,000	16,631,000
Retained earnings	25,557,000	16,114,000
Treasury stock	(147,000)	(144,000)
Total Liabilities & Shareholders' Equity	$125,984,000	$ 83,503,000

* At lower of cost or market. LIFO cost for Irish and most U.S. inventories; remainder at FIFO.

# Less accumulated depreciaton and amortization.

+ $0.16⅔ par value.

Statistical Summary

%Income bef. Taxes to Sales	11.29	12.55
%Net Income to Sales	6.96	7.12
%Net Income to Equity	19.14	21.36
Sales to Inventories	3.27	3.82
Working Capital	$ 56,088,000	$ 36,082,000
Current Ratio	3.53	3.18
Shareholers' Equity	$ 49,337,000	$ 33,453,000

Analogic Corporation

Audubon Road
Wakefield, Massachusetts 01880
(617) 246-0300

Officers: Bernard M. Gordon, chairman of the board & president; Bernard L. Friedman, vice chairman; John A. Tarello, sr. v.p. & controller; Robert H. Sturdy, sr. v.p.; C. Frederic Young, v.p. & treasurer; Martyn E. Culverhouse, Harold S. Goldberg, Paul G. Lucas, Leopold Neumann, Horst Seperant, Daniel Abenaim, Barry R. Gorsun, Richard F. Powell, Herbert S. Sobel, v.p.'s; Irving J. Helman, clerk.

Directors: Bernard M. Gordon, Benard L. Friedman, Robert H. Sturdy, John A. Tarello, Martyn E. Culverhouse, Jules J. Schwartz, Gerald L. Wilson, Vessarios Chigas.

Areas of Work: Engaged in the design, manufacture, and marketing of advanced precision data conversion, and computer-based signal processing instruments and equipments, which are used to acquire, condition, translate, compute, interpret, store, transmit, or display critical data in modern industrial, scientific, medical, communications and other system applications.

Subsidiaries:

Analogic Limited
68 High Street
Weybridge, KT13 8BN, England

Analogic International, Inc.
Audubon Road
Wakefield, Massachusetts 01880

Analogic GmbH
Daimlerring 2
6200 Wiesbaden
Nordenstadt, Germany

Analogic AG
Kanalstrasse 15, Postfach
CH-8152 Glattbrugg, Switzerland

Transfer Agent(s):

New England Merchants National Bank

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ALOG (NASDAQ)

Number of Employees:

1980	1,400	1977	425
1979	1,200	1976	250
1978	726		

Sales and Earnings

	Net Sales	Net Income
1980	$ 67,010,421	$ 6,029,896
1979	48,615,079	4,528,005
1978	35,145,889	3,020,387
1977	24,300,308	1,819,018
1976	16,262,391	949,878

	No. of Com. Shares +	Earn. per Share +
1980	6,889.326	$0.88
1979	6,621,420	0.68
1978	6,543,968	0.46
1977	6,475,720	0.28
1976	6,320,752	0.15

+ Based on the weighted average number of common shares and common share equivalents outstanding, adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	2-for-1
1979	—	—	2-for-1
1978	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 28,119,040	$4.08
1979	13,778,800	2.08
1978	8,764,583	1.34

+ Based on the weighted average number of common shares and common share equivalents outstanding, adjusted to reflect stock splits.

Income Account *

Year ended July 31	1980	1979
Net sales	$ 67,010,421	$ 48,615,079
Cost of sales	38,599,606	27,365,102
Expenses	16,574,532	12,064,895
Interest expense	1,463,287	784,077
Income before taxes	$ 10,372,996	$ 8,401,005
Income taxes	4,343,100	3,873,000
Net Income	$ 6,029,896	$ 4,528,005

* Included in Costs and Expenses, Depreciation and Amortization: $1,531,580 in 1980 and $1,010,464 in 1979.

Assets

As of July 31	1980	1979
Cash	$ 978,503	$ 346,104
Accts. receiv., net	17,690,721	11,386,303
*Inventories	20,930,,541	12,798,438
Prepaid expenses	152,196	58,556
Deferred inc. taxes	260,217	190,127
Current Assets	$ 40,012,178	$ 24,779,528
# Fixed assets	11,293,317	6,301,364
Other assets	93,453	4,876
Total Assets	$ 51,398,948	$ 31,085,768

Analogic Corporation

Liabilities

Notes payable	$ 587,921	$ 180,360
Cap. lease oblig. curr.	140,924	84,172
Accts. payable	6,446,980	4,381,232
Accruals	1,055,846	829,578
Cust. deposits	681,470	—
Accrued payroll	1,334,172	796,873
Income taxes	2,792,933	2,670,667
Curr. Liabilities	$ 13,040,246	$ 8,942,882
Long-term debt	5,000,000	5,500,000
Cap. lase oblig.	5,068,338	2,824,341
Deferred inc. taxes	171,324	39,745
+ Common stock	398,000	347,932
Add. paid-in capital	10,212,014	1,951,738
Retained earnings	17,563,683	11,533,787
Treasury stock	(54,657)	(54,657)
Total Liabilities & Shareholders' Equity	$ 51,398,948	$ 31,085,768

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.05 par value.

Statistical Summary

%Income bef. Taxes to Sales	15.48	1.28
%Net Income to Sales	9.00	9.31
%Net Income to Equity	21.44	32.86
Sales to Inventories	3.20	3.80
Working Capital	$ 26,971,932	$ 15,836,646
Current Ratio	3.07	2.77
Shareholders' Equity	$ 28,119,040	$ 13,778,800

Anaren Microwave, Inc.

185 Ainsley Drive
Syracuse, New York 13205
(315) 476-7901

Officers: Hugh A. Hair, president, Carl W. Gerst, Jr., exec. v.p. & treasurer; William J. Mackay, secretary.

Directors: Hugh A. Hair, Carl W. Gerst, Jr., William J. Mackay, Abraham Manber, Solomon Manber, Lawrence G. Mohr, Jr.

Areas of Work: Designs, engineers and manufactures microwave components and completely integrated microwave assemblies used in sophisticated microwave installations. The Company's microwave componentry is utilized in navagation, fire-control radar, electronic countermeasures, electronic surveillance, telemetry, instrumentaion and communications systems.

Transfer Agent(s):

The Bank of New York
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ANEN (NASDAQ)

Number of Employees:

1980	270	1977	170
1979	240	1976	170
1978	170		

Plant Footage:

1980	37,000	1977	21,000
1979	32,500	1976	21,[illegible]00
1978	21,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 8,304,306	$ 427,597
1979	6,960,848	302,048
1978	5,095,396	175,395
1977	5,332,011	267,345
1976	4,721,396	269,896

	No. of Com. Shares	Earn. per Shares ‡ #
1980	1,422,829	$0.30
1979	1,421,829	0.21
1978	1,421,829	0.12
1977	1,512,750	0.17
1976	1,570,800	0.17

‡ Including extraordinary credit of $63,840 ($0.04 per share) in 1976.
# Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 5,459,056	$3.84
1979	5,030,019	3.54
1978	4,728,428	3.33
1977	4,689,534	3.10
1976	4,509,646	2.87

Income Account *

Year ended June 30	1980	1979
Net sales	$ 8,304,306	$ 6,960,848
Other income	1,434	21,672
Total income	$ 8,305,740	$ 6,982,520
Cost of sales	5,295,004	4,708,590
Expenses	2,290,147	1,868,689
Interest expense	200,622	89,235
Income before taxes	$ 519,967	$ 316,006
Income taxes	92,370	13,958
Net Income	$ 427,597	$ 302,048

* Included in Costs and Expenses, Depreciation and Amortization: $306,898 in 1980 and $291,155 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 556,485	$ 12,726
Marketable securities	—	482,043
Receiv., net	1,836,988	1,476,801
*Inventories	5,227,781	3,730,976
Prepaid expenses	20,038	14,593
Current Assets	$ 7,641,292	$ 5,717,139
#Fixed assets	1,646,146	926,574
Rev. bond funds	2,540,000	—
Other assets	205,306	193,055
Total Assets	$ 12,032,744	$ 6,836,768

Liabilities

Long-term debt curr.	$ 427,868	$ 79,492
Short-term borrowings	800,000	100,000
Accts. payable	1,304,568	502,242
Accruals	460,944	259,968
Income taxes payable	76,000	—
Deferred inc. taxes	43,140	41,081
Curr. Liabilities	$ 3,112,520	$ 982,783
Deferred inc. taxes	76,425	58,148
Long-term debt	3,384,743	765,818
+Common stock	17,298	17,288
Add. paid-in capital	4,692,225	4,690,795
Retained earnings	1,227,176	799,579
Treasury stock	(477,643)	(477,643)
Total Liabilities & Shareholders' Equity	$ 12,032,744	$ 6,836,768

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.26	4.54
%Net Income to Sales	5.15	4.34
%Net Income to Equity	7.83	6.00
Sales to Inventories	1.59	1.87
Working Capital	$ 4,528,772	$ 4,734,356
Current Ratio	2.46	5.82
Shareholders' Equity	$ 5,459,056	$ 5,030,019

Andersen Group, Inc.

(formerly Andersen Laboratories,
Incorporated)

1280 Blue Hills Avenue
Bloomfield, Connecticut 06002
(203) 242-0761

Officers: Francis E. Baker, president; Timorhy E. Griffin, treasurer; Elmer J. Dahl, secretary; Martin H. Anderson, asst. secretary; Lawrence Hultslander, director - quality control; Kenneth T. Kelly, director - finance; John C. Kissel, director - mfg. & procurement; J. Patricia Pond, mgr. - MIS; John J. Nicholson, controller; Franklin R. Stoner, director - personnel.

Directors: Oliver R. Grace, chairman; Francis E. Baker, Joseph F. Engelberger, Richard Rachals, George B. Raymond, Kingsley Swan, Jr., Ratus L. Kelly, Alan C. Leland.

Divisions and Subsidiaries:

Andersen Laboratories, Inc.
1280 Blue Hills Avenue
Bloomfield, Connecticut 06002
(203) 242-0761

Specializes in the research and development of sophisticated delay lines and components used in signal processing for military radar and communications systems. Also developed new ultrasonic components which employ surface wave, as well as bulk wave, technologies.

Microtime, Inc.
1280 Blue Hills Avenue
Bloomfield, Connecticut 06002
(203) 242-0761

Produces time base correctors, systems which eliminate picture distortions which occur when program material is recorded or played back on a video tape recorder.

Waters Equipment, Inc.
Marlborough, Massachusetts

Designs, manufactures and supplies on-site supervision of water and steam analyzing systems for electric and nuclear power generating stations.

Cardiac Datacorp, Inc.
1280 Blue Hills Avenue
Bloomfield, Connecticut 06002
(203) 242-0261

Engaged in the development of a patented monitoring system for evaluating theperformance of implanted heart pacers over the telephone line.

Geothermal Food Processors, Inc.
Brady's Hot Springs, Nevada

A vegetable dehydration company.

Signal Technology Ltd. (joint venture)
United Kingdom

Design, development and manufacture of surface acoustic wave filters for communications, radar, and other signal processing applications.

Acquisition(s):

Data Medical, Inc. (80% interest)
Wynnewood, Pennsylvania

Medical services company marketing Holter recording devices which monitor cardiac electrical activity.

Transfer Agent(s):

Hartford National Bank & Trust Company
777 Main Street
Hartford, Connecticut 06101

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ANDR (NASDAQ)

Number of Employees:

1980	414	1977	225
1979	400	1976	225
1978	400		

Plant Footage:

1980	80,000 sq. ft.	1977	50,000
1979	80,000	1976	50,000
1978	80,000		

Sales and Earnings

	Net Sales +	Net Income#
1981	$ 18,491,000	$ 1,452,000
1980	17,213,000	893,000
1979	15,666,000	810,000
1978	13,354,000	596,000
1977	10,970,000	538,000

	No.of Com. Share ‡	Earn per Share ‡#
1981	664,907	$2.18
1980	663,751	1.35
1979	662,878	1.21
1978	657,806	0.91
1977	646,681	0.83

+ Of contuining operations only.

‡ Based on the weighted average number of shares and common share equivalents outstanding.

# Includes extraordinary gains of $45,000($0.07 per share) in 1978 and $102,000 ($0.16 per share) in 1977.

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 6,667,000	$10.03
1980	5,113,000	7.79
1979	4,207,000	6.48
1978	3,389,000	5.15
1977	2,806,000	4.34

Income Account *

Year ended Feb.28	1981	1980
Net sales & other income	$ 18,490,947	$ 17,212,704
Cost of sales	9,809,305	9,284,809
Expenses	6,841,972	6,595,059
Interest expense	575,107	369,476
Income bef. taxes	$ 1,264,563	$ 963,360
Income taxes	476,825	274,629
Minority interest	(3,790)	—
Eq. in loss of joint venture	92,794	—
Income from cont. oper.	$ 698,734	$ 688,731
Income from discont. oper.	753,723	204,169
Net Income	$ 1,452,457	$ 892,900

*Included in Costs and Expenses, Depreciation and Amortization: $625,636 in 1981and $517,453 in 1980.

Assets

As of Feb. 28	1981	1980
Cash	$ 262,783	$ 386,153
Short-term invest.	2,453,670	—
Assts. & notes receiv. net	4,730,068	4,702,555
Unbilled receiv.	313,880	1,608,289
*inventories	2,270,264	2,039,133
Prepaid expenses & other assets	159,462	130,963
Current Assets	$ 10,190,127	$ 8,867,093
Investments	533,908	617,375
# Fixed assets	3,779,001	3,801,306
Other assets	337,761	74,010
Defer charges	51,373	67,487
Intangibles	475,132	412,647
Total Assets	$ 15,367,302	$ 13,839,918

Liabilities

Notes payable	$ 149,951	$ 925,000
Long-term debt. curr.	460,962	259,437
Accts. payable	1,644,562	1,653,448
Cust. deposits	464,990	—
Accruals	413,481	725,088
Income taxes	554,436	10,163
Employee compen.	462,035	374,053
Oblig. under capital lease	159,680	156,493
Curr. Liabilities	$ 4,310,097	$ 4,103,682
Long-term debt	3,258,995	3,952,228
Deferred inc. taxes	1,130,860	670,583
+ Common stock	1,253,723	1,152,255
Add paid-in capital	405,540	405,540
Retained earnings	5,176,106	3,723,649
Treasury stock	(168,019)	(168,019)
Total Liabilities & Shareholders' Equity	$ 15,367,302	$ 13,839,918

*At lower of cost (FIFO & average cost methods) or market.

# Less accumulated depreciation.

+ No par value.

Statistical Summary

%Net Income to Equity	21.78	17.46
Sales to Inventories	8.14	8.44
Working Capital	$ 5,880,030	$ 4,763,411
Current Ratio	2.36	2.16
Shareholder' Equity	$ 6,667,350	$ 5,113,425

Anderson Jacobson, Inc.

521 Charcot Avenue
San Jose, California 95131
(408) 263-8520

Officers: Raymond E. Jacobson, chairman of the board & president; G.W. Schoenwald, v.p.-marketing; Wayne C. Seppeler, v.p.-mgr. data communications division; Walter P. Czeropski, v.p.-manufacturing; R.J. Indermill, secretary & treasurer; Kent M. Wilkins, controller; division mgr's: Edward A. Burfine, Stephen V. Tritto.

Directors: Raymond E. Jocobson, chairman; Richard J. Indermill, William F. Main, John W. Jalonen, Edward J. Maher.

Areas of Work: Designs, manufactures, sells, leases and services data communications equipment and remote data terminals for use as computer peripheral equipment. Among its products are acoustic data couplers and complete remote data termials and modem systems.

Subsidiaries:

Anderson Jacobson GmbH
West Germany

Anderson Jocobson, SA
Paris, France

Anderson Jacobson, Ltd.
London, England

Anderson Jacobson, Canada, Ltd./Ltee.
Ottawa, Ontario

Transfer Agent(s):

Crocker National Bank
Corporate Division
P.O. Box 38005
San Francisco, California 94138

Stock Exchange(s): American

Ticker Symbol: AJ

Number of Employees:

1980	844	1977	537
1979	670	1976	477
1978	641		

Plant Footage:

1980	168,500 sq. ft.	1977	120,500
1979	153,500	1976	102,000
1978	120,500		

Sales and Earnings

	Revenues	Net Income
1980	$ 41,377,000	$ 2,202,000
1979	34,697,000	1,760,000
1978	26,834,000	1,330,000
1977	20,921,000	1,050,000
1976	17,341,893	864,431

	No. of Com. Shares	Earn. per Share ×
1980	2,163,495	$0.96
1979	2,277,737	0.76
1978	2,237,084	0.58
1977	2,234,073	0.45
1976	2,368,908	0.35

× Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 13,723,000	$6.34
1979	13,018,000	5.72
1978	11,198,000	5.01
1977	9,885,000	4.42
1976	9,304,684	3.93

Income Account *

Year ended March 31	1980	1979
Net sales	$ 14,588,000	$ 11,678,000
Lease & service	26,789,000	23,019,000
Revenue	$ 41,377,000	$ 34,697,000
Cost of sales	7,156,000	6,483,000
Expenses	20,865,000	15,129,000
Depreciation	9,747,000	10,574,000
Other income	(46,000)	(111,000)
Income before taxes	$ 3,655,000	$ 2,622,000
Income taxes	1,453,000	862,000
Net Income	$ 2,202,000	$ 1,760,000

Assets

As of March 31	1980	1979
Cash	$ 1,536,000	$ 1,244,000
Marketable securities	575,000	2,096,000
Accts. receiv., net	7,423,000	4,185,000
* Inventories	9,515,000	7,876,000
Prepaid expenses	327,000	268,000
Current Assets	$ 19,376,000	$ 15,669,000
Investment	8,686,000	9,933,000
# Fixed assets	4,676,000	4,116,000
Other assets	11,000	920,000
Total Assets	$ 32,749,000	$ 30,638,000

Liabilities

Long-term debt, curr.	$ 6,506,000	$ 4,570,000
Accts. payable	2,267,000	1,102,000
Accruals	1,176,000	1,102,000
Income taxes	—	328,000
Curr. Liabilties	$ 9,949,000	$ 7,102,000
Long-term debt	9,077,000	10,518,000
+ Common stock	216,000	228,000
Add. paid-in capial	4,452,000	5,937,000
Retained earnings	9,055,000	6,853,000
Total Liabilities & Shareholders' Equity	$ 32,749,000	$ 30,638,000

* At lower of standard cost (which approximates actual cost on a FIFO basis) or market.

# Less accumulated depreciation & amortization.

+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	8.83	7.56
%Net Income to Revenues	5.32	5.07
%Net Income to Equity	16.05	13.52
Working Capital	$ 9.427,000	$ 8,567,000
Current Ratio	1.95	2.21
Shareholders' Equity	$ 13,723,000	$ 13,018,000

Andrea Radio Corporation

11-40 45th Road
Long Island City, New York 11101
(212) 729-8500

Officers: Frank A. D. Andrea, Jr., chairman of the board and president; Anthony S. Abbene, executive vice president and treasurer; Camille Andrea, secretary & pres. of Andrea Sales Division; George Feinman, v.p.-engineering; Saverio Paternoster, v.p.-operations.

Directors: Frank A. D. Andrea, Jr., Anthony S. Abbene, Camille Andrea, Salvatore J. Carruba.

Areas of Work: Engaged in designing, developing, and producing intercommunications and other electronic systems and equipment which are sold to the government and private companies under prime and subcontracts, and television receivers, record players, AM/FM stereo and combination entertainment centers for the home as well as electronic products for marine use.

Transfer Agent(s):

The Chase Manhattan Bank N.A.
1 New York Plaza
New York, New York 10081

Stock Exchange(s): American

Ticker Symbol: AND

Number of Employees:

1980	111	1977	92
1979	111	1976	95
1978	106		

Plant Footage:

1980	57,266 sq. ft.	1977	75,000
1979	57,266	1976	75,000
1978	57,266		

Sales and Earnings

	Net Sales	Net Income
1980	$ 3,216,745	$ 307,493
1979	2,711,955	259,961
1978	2,297,945	150,580
1977	1,905,164	63,845
1976	1,978,590	177,299

	No. of Com. Shares	Earn. per Share #
1980	508,272	$0.60
1979	508,272	0.51
1978	508,272	0.30
1977	508,272	0.13
1976	508,272	0.23

# Based on the average number of shares outstanding.

Revenues By Line of Business

	1980	1979
Government	$ 1,826,710	$ 1,584,840
Industrial	1,284,830	987,718
Commercial	105,205	139,397
Total	$ 3,216,745	$ 2,711,955

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.40	—	—
1979	0.29	—	—
1978	0.07	—	—
1977	0.07	—	—
1976	0.07	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 3,461,647	$6.81
1979	3,357,463	6.61
1978	3,244,901	6.38
1977	3,129,899	6.16
1976	3,101,633	6.10

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 3,216,745	$ 2,711,955
Other income	281,203	238,273
Total income	$ 3,497,948	$ 2,950,228
Cost of sales	2,548,804	2,165,773
Expenses	344,964	306,752
Income before taxes	$ 604,180	$ 477,703
Income taxes	296,687	217,742
Net Income	$ 307,493	$ 259,961

*Included in Costs and Expenses, Depreciation: $54,597 in 1980 and $48,959 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 74,913	$ 53,937
Cert. of deposit	1,916,239	2,318,049
Accts. receiv., net	350,556	241,469
Sundry receiv.	—	9,582
*Inventories	756,627	343,603
Prepaid expenses	5,084	8,511
Current Assets	$ 3,103,419	$ 2,975,151
# Fixed assets	656,235	687,476
Intangibles	676	5,911
Total Assets	$ 3,760,330	$ 3,668,538

Liabilities

Accts. payable	$ 189,721	$ 145,872
Salaries & wages	40,660	35,035
Misc. taxes	22,319	33,518
Inc. taxes	44,405	95,681
Dividends payable	1,578	969
Curr. Liabilities	$ 298,683	$ 311,075
+ Common stock	254,136	254,136
Add. paid-in capital	59,206	59,206
Retained earnings	3,148,305	3,044,121
Total Liabilities & Shareholders' Equity	$ 3,760,330	$ 3,668,538

*At lower of cost (FIFO) or market.
Less accumulated depreciation & amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	18.78	17.61
%Net Income to Sales	9.56	9.59
%Net Income to Equity	8.88	7.74
Sales to Inventories	4.25	7.89
Working Capital	$ 2,804,736	$ 2,664,076
Current Ratio	10.39	9.56
Shareholders' Equity	$ 3,461,647	$ 3,357,463

Anixter Bros., Inc.

4711 Golf Road
One Concourse Plaza
Skokie, Illinois 60076
(312) 677-2600

Officers: Alan B. Anixter, president; William R. Anixter, executive vice president; Bruce Van Wagner, v.p.-operations; Edward F. Harris, v.p.-research and development; Irwin S. Sylvan, v.p.-marketing; Albert E. Smith, v.p. & conroller; Robert J. Wilson, vice president-wire and cable; James R. Anixter, Kenneth E. Moton, vice presidents; John A. Pigott, v.p. & secretary; William R. Parient, Jr., v.p. & treasurer.

Directors: Alan B. Anixter, William R. Anixter, James R. Anixter, Edward F. Harris, William R. Parient, Jr., Edward R. Patterson, Bruce Van Wagner, Norman B. Schreiber, John A. Pigott, Theodore Horwich, Herbert L. Pruzan, Joseph M. Checkers.

Areas of Work: The Distribution Group buys, warehouses and sells an assortment of electrical wire and cable and CATV items. The Manufacturing Group primarily manufactures products which use wire and cable as a principal component or which are used in the transmission of telephone communications or electricity; specific products of this group include telephone transmission components modular central office structures to house electronic switching systems, electrical wiring harnesses and cable assemblies for use on appliances and vehicles, lights and switches primarily for military vehicles, battery booster cables and other power supply cords, microwave antennas for telephone and radio communications and distribution equipment such as switchbords and power panels.

Subsidiaries:

Illinois Cable Corp.
Anixter-Texas Inc.
Anixter-Pruzan Inc.
Pruzan Company of Illinois, Inc.
Anixter U-K Ltd.
Anixter-Netherlands, B.V.
Anixter-San Francisco Inc.
Anixter-Turmac Ltd.
Anixter International, Inc.
Anixter-New Orleans Inc.

Transfer Agent(s):

First National Bank of Chicago
Chicago, Illinois

Citibank, N.A.
New York, New York

Stock Exchange(s): New York

Ticker Symbol: ANX

Number of Employees:

1980	2,000	1977	1,500
1979	1,775	1976	1,530
1978	1,760		

Plant Footage:

1980	1,767,275 sq. ft.	1977	1,320,048
1979	1,640,000	1976	1,324,403
1978	1,453,116		

Sales and Earnings

	Net Sales	Net Income
1980	$ 343,362,594	$ 14,209,735
1979	268,658,781	8,413,716
1978	197,282,891	3,819,778
1977	173,145,192	2,957,815
1976	150,781,082	3,536,876

	No. of Com. Shares #	Earn. per Share #
1980	6,574,000	$2.16
1979	6,470,000	1.30
1978	6,354,000	0.60
1977	6,294,000	0.47
1976	6,330,000	0.56

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1980	1979
Distribution	$ 295,395	$ 223,840
Manufacturing	47,968	44,819
Total	$ 343,363	$ 268,659

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.21	—	2-for-1
1979	0.165	—	—
1978	0.125	—	—
1977	0.105	—	—
1976	0.085	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Per Share ‡
1980	$ 62,484,212	$9.50
1979	48,750,221	7.53
1978	41,171,214	6.48
1977	37,686,495	5.99
1976	35,252,055	5.10

‡ Based on the weighted average number ofcommon shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *

Year ended July 31	1980	1979
Net sales	$343,362,594	$268,658,781
Cost of sales	256,084,028	205,557,889
Expenses	58,558,497	45,590,848
Oper. profit	$ 28,720,069	$ 17,510,044
Other income	1,227,519	1,142,732
Total	$ 29,947,588	$ 18,652,776
Interest Expense	3,597,853	3,094,060
Income before taxes	$ 26,349,735	$ 15,558,716
Income taxes	12,140,000	7,145,000
Net Income	$ 14,209,735	$ 8,413,716

*Included in Costs and Expenses, Depreciation and Amortization: $2,440,044 in 1980 and $2,433,705 in 1979.

Assets

As of July 31	1980	1979
Cash & temp. investments	$ 4,554,577	$ 4,425,073
Accts. & notes receiv. net	51,314,748	41,655,005
*Inventories	80,161,955	67,893,727
Prepaid expenses	436,932	264,851
Current Assets	$136,468,212	$114,238,656
Receivables	79,381	230,980
# Fixed assets	14,816,103	11,587,579
Other assets	75,719	71,647
Defer. charges	196,349	221,321
Intangibles	4,505,306	4,505,306
Total Assets	$156,141,070	$130,855,489

Liabilities

	1980	1979
Notes payable	$ 1,001,440	$ 870,460
Long-term debt, curr.	1,361,044	1,499,627
Accts. payable	44,176,439	37,689,092
Accruals	8,796,271	5,845,808
Income taxes	6,581,827	5,387,470
Curr. Liabilities	$ 61,917,021	$ 51,292,457
Long-term debt	29,006,837	28,467,811
Deferred inc. taxes	2,733,000	2,345,000
+ Common stock	6,676,198	3,265,863
Add. paid-in capital	4,036,084	6,548,389
Retained earnings	51,918,292	39,082,331
Treasury stock	(146,362)	(146,362)
Total Liabilities & Shareholders' Equity	$156,141,070	$130,855,489

* At lower of average cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	7.67	5.79
%Net Income to Sales	4.14	3.13
%Net Income to Equity	22.74	17.26
Sales to Inventories	4.28	3.96
Working Capital	$ 74,551,191	$ 62,946,199
Current Ratio	2.20	2.23
Shareholders' Equity	$ 62,484,212	$ 48,750,221

Apex Electronics, Inc.

100 Eighth Street
Passaic, New Jersey 07055
(201) 773-1220

Officers: Michael Dorota, president; Andrew Lech, secretary and treasurer.

Directors: Michael Dorota, Andrew Lech, Hazel Orlin.

Areas of Work: Produces cathode ray tubes and other television parts.

Transfer Agent(s):

New Jersey Bank (National Association)
Paterson, New Jersey

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income
1980	$ 937,102	$ (2,386)
1979	883,804	(5,104)
1978	816,876	(10,360)
1977	1,047,089	1,480
1976	1,144,668	27,044

	No. of Com. Shares ‡	Earn. per Share ‡
1980	252,650	$ —
1979	252,650	—
1978	252,650	—
1977	253,275	0.01
1976	254,125	0.11

(Loss)
‡ Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$ —	—	—
1979	—	—	—
1978	0.02	—	—
1977	0.08	—	—
1976	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 446,239	$1.77
1979	448,626	1.78
1978	453,730	1.80
1977	469,090	1.85
1976	488,924	1.92

‡ Based on the average number of shares outstanding.

Income Account *

Year ended Aug. 31	1980	1979
Net sales	$ 937,102	$ 883,804
Cost of sales	821,438	780,683
Expenses	85,427	74,965
Depreciation	32,623	33,260
Net Loss	$ (2,386)	$ (5,104)

Assets

As of Aug. 31	1980	1979
Cash	$ 45,237	$ 28,2
Investment	129,861	124,1
Accts. & notes receiv. net	195,151	191,380
* Inventories	247,025	256,025
Prepaid expenses & advances	887	2,012
Accured int. receiv.	6,878	5,732
Current Assets	$ 625,039	$ 607,498
# Fixed assets	45,094	61,872
Other assets	1,900	1,900
Total Assets	$ 672,033	$ 671,270

Liabilities

	1980	1979
Notes payable	$ 50,000	$ 65,000
Accts. payable	128,919	118,525
Accrued taxes & expenses	23,875	16,119
Curr. Liabilities	$ 202,794	$ 199,644
Note payable	23,000	23,000
+ Common stock	26,100	26,100
Common stock-Apex Elec. Int'l.	2,500	2,500
Add. paid-in capital	306,503	306,503
Retained earnings	126,261	128,648
Treasury stock	(15,125)	(15,125)
Total Liabilities & Shareholders' Equity	$ 672,033	$ 671,270

* At lower of cost (FIFO) or market for raw materials; manufactured finished goods at standard costs which approximate actual costs.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

	1980	1979
Sales to Inventories	3.79	3.45
Working Capital	$ 422,245	$ 407,854
Current Ratio	3.08	3.04
Shareholders' Equity	$ 446,239	$ 448,626

APF Electronics, Inc.

1501 Broadway
New York, New York 10036
(212) 869-1960

Officers: Irving Boilen, chairman of the board & sr. v.p.; Seymour Lipper, president & chief exec. officer; Sandra Lipson, Murray Ness, v.p.'s; Martin Lipper, treasurer-secretary; Charles S. Port, gen. counsel.

Directors: Seymour Lipper. Irving Boilen, William Esland, Martin Lipper.

Areas of Work: Engaged in the design, engineering, manufacturing, importation and worldwide distribution of electronic calculators, video oriented home entertainment devices, printers and personal computers.

Subsidiaries:

Positronics Supplies Ltd.
Hong Kong

APF Far East Ltd.
Hong Kong

Transfer Agent(s):

National Bank of North America
44 Wall Street
New York, New York 10005

Stock Exchange(s): Over-the-Counter

Ticker Symbol: APFE (NASDAQ)

Number of Employees:

1980	170	1976	75
1979	300	1977	75
1978	137		

Plant Footage:

1980	44,400 sq. ft.	1978	18,500
1979	18,500		

Sales and Earnings

	Net Sales	Net Income
1980	$ 19,677,511	$ (1,266,778)
1979	23,317,464	(220,429)
1978	30,997,286	116,677
1977	33,489,899	(1,391,386)
1976	39,124,798	1,268,793

	No. of Com. Shares #	Earn. per Share #
1980	1,174,786	$ —
1979	1,143,748	—
1978	1,183,107	0.10
1977	1,168,023	—
1976	1,254,779	1.01

(Loss)
# Based on weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	—
1978	—	—	—
1977	—	—	—
1976	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 1,659,058	$1.41
1979	2,625,804	2.30
1978	2,846,233	2.41
1977	2,720,595	2.33
1976	4,456,256	3.55

# Based on weighted average number of shares outstanding adjusted to reflect stock split.

Income Account*

Year ended Dec. 31	1980	1979
Net sales	$ 19,677,511	$ 23,317,464
Cost of sales	17,098,388	19,903,295
Expenses	3,736,469	3,211,927
Interest expense	1,379,733	1,383,845
Gain on settlement	(1,290,082)	—
Loss before taxes	$ (1,246,997)	$ (1,181,603)
Income taxes (refund)	19,781	(961,174)
Net Loss	$ (1,266,778)	$ (220,429)

*Included in Costs and Expenses, Depreciation and Amortization: $314,054 in 1980 and $365,403 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 372,134	$ 1,193,715
Accts. receiv., net	3,657,592	5,120,620
*Inventories	9,149,597	6,555,402
Other assets	214,296	221,410
Refundable inc. taxes	—	690,287
Refundable cust. duty	26,363	142,344
Current Assets	$ 13,409,982	$ 13,923,778
# Fixed assets	641,510	592,478
Other assets	74,358	70,414
Total Assets	$ 14,125,850	$ 14,586,670

Liabilities

	1980	1979
Trade acceptances	$ 2,922,930	$ 980,260
Notes payable	4,321,708	4,750,166
Long-term debt, curr.	350,000	250,000
Accts. payable	1,011,217	1,516,609
Accruals	553,906	540,118
Income taxes	176,511	156,783
Curr. Liabilities	$ 9,336,272	$ 8,193,936
Long-term debt	3,122,000	3,750,000
Deferred inc. taxes	8,520	16,930
+ Common stock	12,250	11,437
Add. paid-in capital	1,034,351	735,132
Retained earnings	612,457	1,879,255
Total Liabilities & Shareholders' Equity	$ 14,125,850	$ 14,586,670

*At lower of cost (FIFO) or market.
# Less accumulated depreciation & amortization.
+ $0.01 par value.

Statistical Summary

Sales to Inventories	2.15	3.56
Working Capital	$ 4,073,710	$ 5,729,842
Current Ratio	1.44	1.70
Shareholders' Equity	$ 1,659,058	$ 2,625,804

Apollo Lasers, Inc.

6357 Arizona Circle
Los Angeles, California 90045
(213) 776-3343

Officers: Fred P. Burns, chairman of the board & president; Raymond H. Hoskins, vice president & secretary; Wilford W. Willing, vice president & chief financial officer.

Directors: Fred P. Burns, chairman; Raymond H. Hoskins, Richard L. Geiger, Burton R. Cohn, Lee R. Petillon, William Fitzsimmons, Wilford W. Willing.

Areas of Work: Solid state and carbon dioxide laser systems for holography, optical radar, resistor trimming, industrial and scientific applications and electronic visual aids.

Transfer Agent(s):

Continental Stock Transfer & Trust Company
Jersey City, New Jersey

Stock Exchange(s): Over-the-Counter

Ticker Symbol: APLE (NASDAQ)

Number of Employees:

1980	50	1977	60
1979	50	1976	50
1978	80		

Plant Footage:

1980	20,400 sq. ft.	1977	20,400
1979	20,400	1976	20,000
1978	20,400		

Sales and Earnings

	Net Sales +	Net Income‡
1980	$ 3,778,818	$ 200,556
1979	3,716,167	558,936
1978	2,197,569	228,351
1977	1,752,416	154,318
1976	1,559,788	213,617

	No. of Com. Shares	Earn. per Share‡ ×
1980	1,009,583	$0.19
1979	1,001,333	0.56
1978	969,000	0.23
1977	960,000	0.16
1976	960,000	0.22

+ Of continuing operations only.
‡ Including extraordinary credit of $107,703 ($0.11 per share) in 1976.
× Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,446,171	$2.42
1979	2,236,709	2.23
1978	1,661,298	1.71
1977	1,425,297	1.48
1976	1,270,979	1.32

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 3,778,818	$ 3,176,167
Cost of sales	2,146,795	2,007,873
Expenses	1,464,913	1,267,472
Other expenses (income)	(119,446)	21,642
Income before taxes	$ 286,556	$ 419,180
Income taxes	86,000	140,000
Income from cont. oper.	$ 200,556	$ 279,180
Income from discont. oper.	—	279,756
Net Income	$ 200,556	$ 558,936

* Included in Costs and Expenses, Depreciation and Amortization: $41,240 in 1980 and $40,319 in 1979.

Assets

As of Sept. 30	1980	1979
Cash & cert. of deposit	$ 506,038	$ 774,033
Invest. in comm. paper	200,000	—
Accts. receive., net	814,787	1,003,934
*Inventories	1,102,057	855,004
Prepaid expenses	32,018	30,608
Deferred inc. taxes	5,000	19,000
Earn. on uncomp. contracts	186,593	—
Refund. inc. taxes	112,522	—
Current Assets	$ 2,959,015	$ 2,682,579
#Fixed assets	147,802	135,294
Other assets	33,577	14,529
Total Assets	$ 3,140,394	$ 2,832,402

Liabilities

	1980	1979
Accts. payable	$ 422,445	$ 238,847
Accruals	271,778	251,602
Income taxes	—	105,244
Curr. Liabilities	$ 694,223	$ 595,693
+Common stock	100,958	100,133
Add. paid-in capital	1,401,137	1,393,056
Retained earnings	944,076	743,520
Total Liablities & Shareholders' Equity	$ 3,140,394	$ 2,832,402

* At lower of cost (FIFO) or market.
# Less accumulated depreciation & amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.58	—
%Net Income to Sales	5.31	—
%Net Income to Equity	8.20	24.99
Sales to Inentories	3.43	4.35
Working Capital	$ 2,264,792	$ 2,086,886
Current Ratio	4.26	4.50
Shareholders' Equity	$ 2,446,171	$ 2,236,709

Applied Devices Corporation

2931 North Poinciana Boulevard
Kissimmee, Florida 32741
(305) 348-5100

Officers: Malcolm K. Fleschner, chairman & chief exec. officer; Martin Dubilier, president; Joseph J. Leszczynski, sr. v.p.; Edward R. Olson, Eugene L. Goda, William Gerber, v.p.'s; John T. Rogers, v.p.-finance & treasurer; Bradford S. Lovette, v.p., secretary, & general counsel.

Directors: Malcolm K. Fleschner, chairman; Allen Adler, Harold L. Brownman, Alfred di Scipio, Martin Dubilier.

Areas of Work: Designs, manufactures, sells and services computer-controlled data entry systems and retrieval systems for use in the banking, gaming, retailing, and credit industries. Also involved in the manufacture, sale and maintenance of electronic and electro-mechanical systems, optics, and optic devices, and audio-visual training programs for the government.

Subsidiaries:

Datatrol Inc.
Datatrol Computer (Ontario) Ltd.

Ordinateurs Datatrol du Quebec Ltee.
Manufacture and sale of computer-controlled data entry and retrieval systems.

Deterline Corporation
Engaged in the design, manufacture, sale and maintenance of electronic and electro-mechanical instrumentation and control systems and the design, development and graphic arts production of training programs for various agencies of the U.S. Department of Defense.

Gaming Dimensions Incorporated
Engaged in the development of computer software for lottery and gaming systems.

Aquisitions:

Smith & Wesson Optical Technology Group

Transfer Agent(s):

American Transfer Co.
44 Beaver Street
New York, New York 10004

Stock Exchange(s): American

Ticker Symbol: ADE

Sales and Earnings

	Revenues	Net Income +
1980	$ 48,879,000	$ (2,184,000)
1979	61,338,000	(7,693,000)
1978	43,001,000	2,782,000
1977	23,298,000	2,151,000
1976	19,759,000	2,005,000

	No. of Com. Shares	Earn. per Share ‡ +
1980	4,660,361	$ —
1979	4,653,844	—
1978	4,124,519	0.68
1977	3,681,994	0.52
1976	3,560,527	0.51

(Loss)

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

+ Including extraordinary gains of $965,000 ($0.23 per share) in 1978, $956,000 ($0.23 per share) in 1977, $820,000 ($0.21 per share) in 1976.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 758,000	$0.16
1979	3,223,000	0.69
1978	9,363,000	2.27
1977	6,440,000	1.75

Income Account *
(000's)

Year ended Oct. 31	1980	1979
Revenues	$ 48,879	$ 61,338
Cost of sales	40,328	51,110
Expenses	7,560	12,193
Interest expense	3,099	2,365
Minority interest	300	652
Loss before taxes	$ (2,408)	$ (4,982)
Income taxes (credit)	(224)	656
Loss from cont. oper.	$ (2,184)	$ (5,638)
Loss from discont. oper.	—	(2,055)
Net Loss	$ (2,184)	$ (7,693)

* Included in Costs and Expenses, Depreciation and Amortization: $3,924,000 in 1980 and $2,662,000 in 1979.

Assets
(000's)

As of Oct. 31	1980	1979
Cash	$ 727	$ 1,006
Accts. receiv., net	8,018	15,036
* Inventories	3,658	3,937
Prepaid expenses	278	151
Other assets	387	476
Current Assets	$ 13,068	$ 20,606
Field Service equip.	2,163	1,164
# Fixed assets	17,311	17,448
Other assets & defer. charges	1,268	1,793
Total Assets	$ 33,810	$ 41,011

Liabilities
(000's)

	1980	1979
Notes payable	$ 1,600	$ 500
Long-term debt, curr.	1,460	1,536
Accts. payable	4,884	11,195
Accruals	2,363	2,719
Advances from customers	899	287
Income taxes	548	774
Curr. Liabilities	$ 11,754	$ 17,011
Long-term debt, curr.	18,065	18,524
Cap. lease oblig.	3,233	2,253
+ Common stock	1,606	1,605
Add. paid-in capital	14,966	15,250
Retained earnings (deficit)	(15,806)	(13,622)
Treasury stock	(8)	(10)
Total Liabilities & Shareholders' Equity	$ 33,810	$ 41,011

* At lower of average cost or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

	1980	1979
Working Capital	$ 1,314,000	$ 3,595,000
Current Ratio	1.11	1.21
Shareholders' Equity	$ 758,000	$ 3,223,000

Applied Magnetics Corporation

75 Robin Hill Road
Goleta, California 93117
(805) 964-4881

Officers: Harold R. Frank, chairman of the board & chief exec. officer; Ben J. Newitt, president & chief operating officer; Robert C. Tetherow, exec. v.p.; Thomas W. Russell, v.p.-planning & development; Gordon P. Sprague, Jr. v.p. & chief financial officer; Raymond P. LeBlanc, secretary & general counsel; James V. Clark, controller.

Directors: Harold R. Frank, chairman; Ben J. Neweit, James M. Cunningham, John E. Anderson, Willar G. DeGroot, William E. Terry, Robert C. Tetherow.

Areas of Work: Designs and manufactures high technology products including magnetic recording heads, and equipment and systems for geophysical exploration and process control applications.

Divisions:

Magnetic Head Division
75 Robin Hill Road
Goleta, California 93017
(805) 964-4881
Manufactures magnetic recordings heads.

Key Electro Sonic
517 North Elizabeth
Milton-Freewater, Oregon 97862
(503) 938-5556
Designs and maufactures electronic sensors and controls that count, sense, test

Subsidiaries:

Geo Space Corporation
5803 Glenmont Drive
Houston, Texas 77081
(713) 666-1611
Manufactures and markets equipment in the field of international geophysical exploration. These products include sensors, data systems and varied heavy equipment.

Applied Magnetics Belgium, N.V.
Industriezone
Raadsherenstraat
2300 Turnhout, Belgium

Applied Magnetics Korea, Ltd.
IPO 2801
Seoul, Korea

Applied Magnetics Caribe, Inc.
Box 848, Pueblo Station
Carolina, Puerto Rico 00630

Applied Magnetics Ireland, Ltd.
IOA Industrial Estate
Santry Avenue
Dublin 9, Ireland

Geo Space Canada, Ltd.
6127 Centre Street South
Calgary, Alberta, Canada

Transfer Agent(s):

United California Bank
P.O. Box 3667
Terminal Annex
Los Angeles, California 90051

Stock Exchange(s): New York

Ticker Symbol: APM

Number of Employees:

1980	2,993	1977	2,795
1979	3,435	1976	3,267
1978	2,878		

Plant Footage:

1980	450,000 sq. ft.	1977	497,448
1979	500,000	1976	497,448
1978	500,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 92,526,365	$ 5,654,419
1979	90,388,708	6,063,035
1978	71,879,736	4,425,125
1977	51,856,000	(3,589,000)
1976	50,250,000	1,493,000

	No. of Com. Shares †	Earn. per Share ‡ †
1980	4,950,707	$1.14
1979	4,903,005	1.24
1978	4,780,858	0.93
1977	4,668,968	—
1976	4,668,968	0.32

(Loss)

† Based on he weighted average number of shares outstanding adjusted to reflect stock split.

‡ Including extraordinary credits of $350,000 ($0.07 per share) in 1979 and $1,075,000 ($0.22 per share) in 1978.

Revenues By Line of Business

	1980	1979
Computer components & terminals	$ 68,681,000	$ 62,329,000
Geophysical exploration equipment	18,204,000	2,275,000
Process control equipment	5,454,000	7,665,000
Other	187,000	120,000
Total	$ 92,526,000	$ 90,389,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 33,629,051	$6.79
1979	27,753,026	5.66
1978	21,609,973	4.52
1977	16,737,529	3.58
1976	20,326,601	4.35

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Applied Magnetics Corporation

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 92,526,365	$ 90,388,708
Cost of sales	67,223,430	62,960,699
Expenses	16,693,405	15,104,015
Interest expense	361,479	1,688,656
Income before taxes	$ 8,248,051	$ 10,635,338
Income taxes	2,593,632	4,507,644
Loss from discont. operations	—	414,659
Net Income	$ 5,654,419	$ 5,713,035
Extraord. credit	—	350,000
Net Income & extraord. credit	$ 5,654,419	$ 6,063,035

*Included in Costs and Expenses, Depreciation and Amortization: $2,575,802 in 1980 and $4,481,956 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 3,979,493	$ 459,909
Accts. receiv., net	13,749,504	16,055,853
*Inventories	14,558,481	14,717,261
Notes receivable, curr.	2,891,163	3,726,216
Prepaid expenses	320,293	587,873
Other assets	2,436,736	1,684,793
Current Assets	$ 37,935,670	$ 37,231,905
# Fixed assets	11,668,207	10,199,857
Other assets	6,884,995	9,439,449
Total Assets	$ 56,488,872	$ 56,871,211

Liabilities

	1980	1979
Long-term debt, curr.	$ 1,062,934	$ 2,078,814
Accts. payable	4,886,204	5,738,136
Accrued payroll & other liab.	2,883,361	2,315,111
Income taxes	2,304,420	3,224,365
Other liabilities	4,640,227	5,574,986
Curr. Liabilities	$ 15,777,146	$ 18,931,412
Long-term debt	7,082,675	10,186,773
+ Common stock	491,409	441,619
Add. paid-in capital	14,584,367	7,029,534
Retained earnings	19,102,319	20,830,917
Treasury stock	(549,044)	(549,044)
Total Liabilities & Shareholders' Equity	$ 56,488,872	$ 56,871,211

*At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	8.91	11.77
%Net Income to Sales	6.11	6.32
%Net Income to Equity	16.81	20.59
Sales to Inventories	6.36	6.14
Working Capital	$ 22,158,524	$ 18,300,493
Current Ratio	2.40	1.97
Shareholders' Equity	$ 33,629,051	$ 27,753,026

Armatron International, Inc.

(formerly Automatic Radio Manufacturing Co., Inc.)

2 Main Street
Melrose, Massachusetts 02176
(617) 321-2300

Officers: Anthony A. Goodchild, president; Herbert E. Housman, executive vice president; Sal De Yoreo, v.p.; Charles J. Housman, treasurer; Elliot J. Englander, clerk.

Directors: David Housman, chairman; Edward L. Housman, Charles J. Housman, Elliot J. Englander, Anthony A. Goodchild, Roger P. Stokey, William Welsh.

Areas of Work: Maufactures antennas for home and motor vehicle use. Also designs and manufactures electronic insect killig devices for the recreational and commercial markets. Produces quartz radiant heaters and logsplitters for consumer use.

Divisions:

Flowtron Division
Melrose, Massachusetts 02176

Hustler Division
3275 North B Avenue
Kissimmee, Florida 32741
(305) 348-5111

Automatic Radio Division

Acquisition(s):

Lee Plastics Inc.
Specializes in custom injection molding.

Transfer Agent(s):

Industrial National Bank of Rhode Island
Providence, Rhode Island

The Hartford National Bank and Trust Co.
Hartford, Connecticut

Stock Exchange(s): American

Ticker Symbol: ART

Sales and Earnings

	Net Sales ‡	Net Income +
1980	$ 28,484,000	$ 2,413,000
1979	25,297,000	(2,143,000)
1978	21,312,000	(11,728,000)
1977	24,719,000	(2,255,000)
1976	33,836,000	4,256,000

	No. of Com. Shares #	Earn. per Share # +
1980	2,444,238	$0.98
1979	2,426,113	—
1978	2,426,113	—
1977	2,424,870	—
1976	2,423,613	1.75

(Loss)
‡ Of continuing operations only.
# Based on weighted average number of shares outstanding.
+ Including extraordiary credits of $1,157,000 in 1980, $994,000 in 1979 and $575,000 ($0.24 per share) in 1976.

Revenues By Line of Business

	1980	1979	1978	1977
Mobile comm. prod.	14%	18%	44%	70%
Electronic products	86	82	56	30
Total	100%	100%	100%	100%

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 9,406,000	$3.85
1979	6,925,000	2.85
1978	9,047,000	3.73
1977‡	20,756,000	8.56
1976‡	22,922,300	9.48

‡ After allowing for preferred stock at redemption value of $100 per share.
# Based on the weighted average number of shares outstanding.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 28,484,000	$ 25,297,000
Cost of sales	20,487,000	17,603,000
Expenses	4,871,000	5,079,000
Other income	(254,000)	(202,000)
Interest expense	862,000	753,000
Income before taxes	$ 2,518,000	$ 2,064,000
Loss. non-oper. assets	—	4,207,000
Income taxes	1,262,000	994,000
Net Income (Loss)	$ 1,256,000	$ (3,137,000)
Extraord. credit	1,157,000	994,000
Net Income (Loss) & extraord. item	$ 2,413,000	$ (2,143,000)

* Included in Costs and Expenses, Depreciation: $321,000 in 1980 and $255,000 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 208,000	$ 127,000
Notes & mortg. receiv.	333,000	325,000
Accts. receiv., net	2,808,000	1,767,000
Marketable securities	356,000	306,000
* Inventories	7,967,000	6,735,000
Other assets	205,000	118,000
Current Assets	$ 11,877,000	$ 9,378,000
Notes & mortg. receiv.	447,000	704,000
Investments	190,000	196,000
# Fixed assets	2,508,000	1,931,000
Other assets	22,000	29,000
Total Assets	$ 15,044,000	$ 12,238,000

Liabilities

	1980	1979
Long-term debt, curr.	$ 143,000	$ 197,000
Acceptances payable	410,000	—
Accts. payable	2,318,000	2,313,000
Accruals	537,000	563,000
Accrued payroll	235,000	251,000
Income taxes payable	105,000	—
Curr. Liabilities	$ 3,748,000	$ 3,324,000
Long-term debt	1,890,000	1,989,000
+ Common stock	2,479,000	2,454,000
Add. paid-in capital	6,250,000	6,228,000
Retained earnings (deficit)	855,000	(1,558,000)
Treasury stock	(41,000)	(41,000)
Deferred comp.	(137,000)	(158,000)
Total Liabilities & Shareholders' Equity	$ 15,044,000	$ 12,238,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	8.84	—
%Net Income to Sales	4.41	—
%Net Income to Equity	13.35	—
Sales to Inventories	3.58	3.76
Working Capital	$ 8,129,000	$ 6,054,000
Current Ratio	3.17	2.82
Shareholders' Equity	$ 9,406,000	$ 6,925,000

Arrow Electronics, Inc.

600 Steamboat Road
Greenwich, Connecticut 06830
(203) 622-9030

Officers: John C. Waddell, chairman of the board, acting president & chief executive officer; T. Wayne Anthony, v.p.; Robert E. Klatell, v.p. & general counsel & secretary; Robert B. Muller, pres., Electrical Distribution Division.

Directors: Lawrence Coolidge, John C. Waddell, Bertram J. Cohn, Lynn K. Glenn, Mrs. B.Duke Glenn, Jr.; Robert F. Greenhill.

Areas of Work: Distributors of electronic and electrical equipment and components; a secondary smelter and refiner of lead.

Divisions and Subsidiaries:

Electronics Distribution Division
900 Broad Hollow Road
Farmingdale, New York 11735

Electrical Distribution Division
81 South Main Street
White River Junction, Vermont 05001

Refining Division
P.O. Box 73916
Baton Rouge, Louisiana 70807
Mound City, Missouri

Aquisitions:

Cramer Electronics, Inc. (January 7, 1980)
85 Wells Avenue
Newton, Massachusetts 02159

Engaged in the distribution of electronic components to industrial customers in the U.S., Canada and the United Kingdom. These components which are manufactured by others include capacitors, connectors, motors, potentiometers, relays, resistors, semiconductors, transformers, wire, and cable. Also sells professional audio and video equipment to television and recording studios, educational institutions, and industry.

Transfer Agent(s):

Maufacturers Hanover Trust Company
Stock Transfer Division
4 New York Plaza
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: ARW

Sales and Earnings

	Net Sales	Net Income
1980	$352,347,000	$ 5,227,000
1979	263,716,000	5,577,000
1978	155,683,000	4,882,000
1977	120,632,000	4,333,000
1976	96,363,000	703,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	4,413,720	$1.18
1979	4,362,054	1.27
1978	4,237,164	1.15
1977	4,012,266	1.08
1976	3,869,154	0.49

‡ Based on average number of shares outstanding adjusted to reflect stock dividends and stock split.

Revenues By Line of Business (000's)

	1980	1979
Electronics dist.	$ 271,758	$ 177,341
Electrical dist.	29,286	26,324
Refining	51,303	60,051
Total	$ 352,347	$ 263,716

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.12	—	2-for-1
1979	0.10	10%	—
1978	0.08	10%	—
1977	0.04	—	—

+ Adjusted to reflect stock dividends and stock split.

Common Stock Equity

	Total Equity ‡	Equity Per Share #
1980	$ 36,943,000	$8.38
1979	30,047,000	6.89
1978	26,373,000	6.22
1977	21,315,000	5.31
1976	17,132,000	4.43

‡ After allowing for preferred stock at liquidating value of $100 per share.

# Based on average number of shares outstanding adjusted to reflect stock dividends and stock split.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$352,347,000	$263,716,000
Cost of sales	266,263,000	206,313,000
Expenses	60,080,000	41,457,000
Interest expense	11,076,000	5,505,000
Income before taxes	$ 14,928,000	$ 10,441,000
Income taxes	6,896,000	4,864,000
Net Income	$ 8,032,000	$ 5,577,000
Extraord. charge	(2,805,000)	—
Net Income & extraord. charge	$ 5,227,000	$ 5,577,000

* Included in Costs and Expenses, Depreciation and Amortization: 3,373,000 in 1980 and $3,014,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 4,429,000	$ 6,615,000
Accts. receiv. net	49,735,000	42,347,000
*Inventories	86,018,000	71,880,000
Prepaid expenses	3,962,000	984,000
Current Assets	$144,144,000	$121,826,000
# Fixed Assets	21,989,000	16,483,000
Other Assets	3,993,000	4,381,000
Intangibles	3,617,000	3,732,000
Total Assets	$173,743,000	$146,422,000

Liabilities

	1980	1979
Notes payable	$ 8,000,000	$ —
Long-term debt curr.	2,054,000	1,658,000
Accts. payable	28,308,000	25,856,000
Accruals	14,181,000	6,545,000
Income taxes	1,901,000	2,114,000
Curr. Liabilities	$ 54,444,000	$ 36,173,000
Long-term debt	11,948,000	33,131,000
Deferred inc. taxes	302,000	818,000
Subord. deben.	$ 69,906,000	$ 46,053,000
+ Preferred stock	2,000	2,000
+ + Common Stock	4,410,000	2,205,000
Add. paid-in capital	10,422,000	12,128,000
Retained earnings	24,180,000	19,481,000
Treasury stock	(526,000)	(1,111,000)
Deferred comp.	(1,345,000)	(2,458,000)
Total Liabilities & Shareholders' Equity	$173,743,000	$146,422,000

*At lower of cost (FIFO & LIFO) or market.

# Less accumulated depreciation and amortization.

+ $1 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	4.24	3.96
%Net Income to Sales	2.28	2.11
%Net Income to Equity	21.62	18.44
Sales to Inventories	4.10	3.67
Working Capital	$ 89,700,000	$ 85,653,000
Current Ratio	2.65	3.37
Shareholders' Equity	$ 37,143,000	$ 30,247,000

Artek Systems Corporation

170 Finn Court
Farmingdale, New York 11735
(516) 293-4420

Officers: William W. Welsh, Jr., chairman of the board; Charles G. Leonhardt, president & treasurer; William R. Kitchener, v.p.; Don W. Fleischauer, controller; Richard S. Davidoff, secretary.

Directors: Webster B. Brockelman, Jr., David K. Felbeck, John N. Fricker, Charles G. Leonhardt, Kenneth D. Roberts, Thomas J. Rowe, William W. Welsh, Jr.

Areas of Work: Designs and manufactures electronic laboratory instruments used for counting and measuring properties of objects such as bacteria, viruses, cells and particles and chemical mixtures. Other products are used for homogenizing laboratory fluids and for readng, interpreting, and recording certain laboratory tests. Conducts research and development of its own product lines as well as those of its clients. Its product lines are used in diversified fields, including industry, medical institutions, scientific organizations, and government agencies.

Transfer Agent(s):

Continental Stock Transfer & Trust Company
19 Rector Street
New York, New York 10006

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ATK (NASDAQ)

Sales and Earnings

	Net Sales	Net Income †
1980	$ 2,208,476	$ 330,075
1979*	1,333,947	219,437
1978	886,963	153,772
1977	641,340	53,755
1976	496,656	(18,412)

	No. of Com. Shares #	Earn. per Share #†
1980	1,091,276	$0.30
1979	1,090,588	0.20
1978	742,795	0.21
1977	435,365	0.12
1976	429,923	—

(Loss)

* Eleven months.

† Including extraordinary gains of $33,000 ($0.03 per share) in 1979, $63,000 ($0.09 per share) in 1978 and $14,000 ($0.03 per share) in 1977.

# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 1,244,519	$1.14
1979	912,944	0.84
1978	693,507	0.93

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended March 31	1980	1979
Net sales	$ 2,208,476	$ 1,333,947
Cost of sales	1,111,640	731,339
Expenses	537,086	309,013
Proposed merger expenses	25,000	—
Interest income	39,325	23,842
Income before taxes	$ 574,075	$ 317,437
Income taxes	244,000	131,000
Net Income	$ 330,075	$ 317,437
Extraord. credit	—	33,000
Net Income & Extraord. credit	$ 330,075	$ 219,437

* Included in Costs and Expenses, Depreciation and Amortization: $19,391 in 1980 and $10,305 in 1979.

Assets

As of Mar. 31	1980	1979
Cash	$ 431,495	$ 294,686
Accts. receiv., net	485,677	356,531
*Inventories	558,476	364,984
Prepaid expenses	3,089	6,219
Current Assets	$ 1,478,737	$ 1,022,420
# Fixed assets	120,441	63,861
Patents	34,583	29,572
Total Assets	$ 1,633,761	$ 1,115,853

Artek Systems Corporation

Liabilities

Notes payable	$ 7,226	$	—
Accts. payable	153,897		98,000
Accruals	43,473		14,766
Accrued payroll	48,542		32,174
Curr. Liabilities	$ 348,568	$	202,909
Notes payable	29,674		—
Deferred inc. taxes	11,000		—
+ Common stock	109,134		109,059
Add. paid-in capital	909,770		908,345
Retained earnings (deficit)	225,615		(104,460)
Total Liabilities & Shareholders' Equity	1,633,761		1,115,853

*At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	25.99		23.80
%Net Income to Sales	14.95		13.98
%Net Income to Equity	26.52		20.42
Sales to Inventories	3.95		3.65
Working Capital	$ 1,130,169	$	819,511
Current Ratio	4.24		5.04
Shareholders' Equity	$ 1,244,519	$	912,944

Arvin Industries, Inc.

1531 East 13th Street
Columbus, Indiana 47201
(812) 372-7271

Officers: Eugene I. Anderson, chairman of the board & chief executive officer; James K. Baker, president & chief operating officer; John J. Thomas, v.p. secretary & general counsel; Edward J. Killion, v.p. & controller; V. William Hunt, v.p.-administration; Haren B. Thakor, v.p. & treasurer; W. Frederick Meyer, v.p.-public relations; Loren K. Evans, group v.p.-automotive; Robert H. Braswell, group v.p.-metals; John P. Sohn, group v.p.-consumer; Stanley R. Wheeler, asst. treasurer.

Directors: Eugene I. Anderson, chairman; James K. Baker, Robert H. Braswell,H. Prentice Browning, Thomas A. Danner, Hugh F. Kennison, Edward J. Killion, F. Holmes Lamoreux, William C. Musham, Robert S. Schaerges, Loren K. Evans, John P. Sohn, Ellis W. Smith, Frederick R. Meyer.

Areas of Work: Operates in four business segments: Automotive-manufacture of mufflers, exhaust and tail pipes, catalytic converters, corrosion resistant coatings and other metal tubular parts, interior trim parts and exterior trim moldings, vinyl metal truck and bus parts, and restraint systems and tire testing services; Appliance and Hardware— maufacture of AM/FM stereo phonographs and tape players, fan-forced fireplace heat exchangers, portable electric heaters, electric fireplaces, wind turbine home attic ventilators and various forms of painted and vinyl-laminated steel for appliance housings; Government and Utilities— aerodynamic, environmental, thermal and flight research, manufacture of airport radar transmission cameras, security systems for power generating plants, airborne video recorders and bulkhead panels for U.S. Navy and Coast Guard ships. Commercial and Industrial— coated metal for various uses in products such as commercial refrigeration, water coolers, freezers, and video recorders.

Divisions and Subsidiaries:

Calspan Corporation
Advanced Technology Center
P.O. Box 400
Buffalo, New York 14225
(716) 632-7500

Engaged in the development and production of instrumentation and color video recording systems, and closed circuit video camera systems; industrial and defense electronic products, and automation equipment.

Arvinyl Division
Columbus, Indiana
Fullerton, California

Supplies industries wih vinyl-to-metal laminates; this prefinished product isfabricated into television and phonograph cabinets, humidifiers, cameras, architectural panels, display cabinets, typewriter components, automotive parts, portable electric heaters, housewares, electronic equipment housings. Heat-sealed padded vinyls and form-padded vinyls used in-office machines, appliances and the automotive industry, sandwich materials usedin the farm implement industry.

Automotive Division
Columbus, Indiana

Northland Towers East
Suite 502
Southfield, Michigan 48075
(313) 353-6040

East Wiley Street
Greenwood, Indiana 46142
(317) 881-2551

North Hurricane Avenue
Franklin, Indiana 46131
(317) 736-7111

East Madison Avenue
North Vernon, Indiana 47265
(812) 346-5750

U.S. Highway 43 and Mili Street
Fayette, Alabama

P.O. Box 248
Dexter, Missouri 63841
P.O. Box 800
Monticello, Arkansas 71655
(510) 367-3481

Manufactures and distributes automotive parts both as original equipment and for replacement or service applications.

Arvin Automotive of Canada, Ltd.
(formerly General Tubes, Ltd.)
248 Bowes Road
Concord, Ontario, Canada
(416) 669-1080

Manufactures specialty tubular products for automotive exhaust systems.

Roll Coater, Inc.
U.S. Route 40 East
P.O. Box 186
Greenfield, Indiana 46140
(317) 462-7761

Kingsbury Industrial Park
Kingsbury, Indiana 46345

Produces pre-decorated coils of aluminum and steel.

Consumer Operations:

Housewares
Tupelo, Mississippi

Manufactures portable electric heaters, decorator electric fireplaces, portable electric humidifiers, wind turbine attic ventilators.

Electronics
Highway 278
P.O. Box 667
Princeton, Kentucky 42445
(502) 365-5505

Manufactures and markets compact and component stero systems.

Automotive Aftermarket Division
Supreme Distributors
Columbus, Indiana

Distributor of exhaust systems to private customers.

Arvin Finance Corporation
1531 E. 13th Street
Columbus, Indiana 47201
(812) 372-7271

Provides real estate financing, ownership and leasing capabilities to Arvin's operations divisions.

Arvin International Inc.
1531 E. 13th Street
Columbus, Indiana 74201
(812) 372-7271

Arvin (Taiwan) Ltd.
3rd Floor, No. 27
Chung-King South Road
Section 1
P.O. Box 58202
Taipei, Taiwan

Transfer Agent(s):

Harris Trust and Savings Bank
Chicago, Illinois

Stock Exchange(s): New York, Midwest

Ticker Symbol: ARV

Number of Employees:

1980	8,000	1977	8,191
1979	8,500	1976	8,500
1978	9,911		

Plant Footage:

1980	6,000,000 sq. ft.	1977	6,000,000
1979	6,000,000	1976	5,794,000
1978	6,000,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 428,849,000	$ 7,588,000
1979	493,211,000	20,422,000
1978	489,079,000	23,066,000
1977	460,269,000	28,911,000
1976*	399,661,000	26,761,000

	No. of Com. Shares	Earn. per Share ‡
1980	6,624,378	$0.92
1979	6,529,709	2.88
1978	6,445,432	3.36
1977	6,014,772	4.42
1976	5,966,760	4.15 †

*53 weeks.
‡ Based on average number of shares outstanding.
† Including extraordinary gain of $3,500,000 ($0.57 per share).

Revenues By Line of Business
(000's)

	1980	1979
Automotive	$ 258,133	$ 325,613
Appliance & hardware	93,896	88,118
Government & utilities	41,205	44,326
Commercial	35,615	35,154
Total	$ 428,849	$ 493,211

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.12	—	—
1979	1.03	—	—
1978	1.00	—	—
1977	0.81	—	—
1976	0.55	—	—

Common Stock Equity

	Total Equity +	Equity Per Share
1980	$ 152,025,000	$22.95
1979	152,408,000	23.34
1978	139,637,000	21.66
1977	118,497,000	19.70

+ After allowing for preferred stock at liquidation value.

Income Account *

Year ended	12/28/80	12/30/79
Net sales	$ 428,849	$ 493,211
Other income	2,198	3,960
Total income	$ 431,047	$ 497,171
Cost of sales	363,129	410,562
Expenses	48,615	45,570
Interest expense	7,861	9,075
Income before taxes	$ 11,422	$ 31,964
Income taxes	3,854	11,542
Net Income	$ 7,588	$ 20,422

*Included in Costs and Expenses, Depeciation: $12,808,000 in 1980 and $13,376,000 in 1979.

Assets

As of	12/28/80	12/30/79
Cash and temp. investments	$ 32,242	$ 32,424
Accts. receiv., net	66,726	68,273
*Inventories	72,021	68,669
Oper. supplies	1,680	1,807
Prepaid expenses	915	941
Current Assets	$ 173,584	$ 172,114
# Fixed assets	118,099	118,392
Other assets	10,752	10,871
Special tools	2,164	1,749
Total Assets	$ 304,599	$ 303,126

Liabilities

Notes payable	$ 996	$ 900
Long-term debt. curr.	4,475	4,362
Accts. payable	27,652	20,100
Accruals	13,054	14,033
Income taxes	3,164	2,789
Curr. Liabilities	$ 49,341	$ 42,184
Long-term debt	78,197	83,684
Deferred inc. taxes	5,085	4,359
+ Preferred stock:		
1976 issue	13,791	14,299
Series B	5,280	5,280
+ + Common stock	16,561	16,234
Add. paid-in capital	26,545	25,861
Retained earnings	109,799	111,135
Total Liabilities & Shareholders' Equity	$ 304,599	$ 303,126

*At lower of cost (principally LIFO) market.
Less accumulated depreciation and amortization.
+ No par value.
+ + $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.67	6.48
%Net Income to Sales	1.77	4.14
%Net Income to Equity	4.41	11.81
Sales to Inventories	5.95	7.18
Working Capital	$ 124,243,000	$ 129,930,000
Current Ratio	3.52	4.08
Shareholders' Equity	$ 171,976,000	$ 172,899,000

Astrex, Inc.

150 Fifth Avenue
New York, New York 10011
(212) 989-5000

Officers: Mark Schindler, chairman of the board: Morris Kass president & chief executive officer: Ronald S. Kass, v.p. Herbert H. Blum, treasuror: Frederick I. Levy, secretary.

Directors: Mark Schindler, chairman: Morris Kass, Frederick I. Levy, Herbert H. Blum, Ronald S. Kass, Thomas J. Sandleitner, Harvey Martin.

Areas of Work: Distributor of electronic parts and components in the Delaware Valley, New York and New England areas; operates a chain of catalogue showrooms on the West Coastof Florida; and manufactures stereo phonographs for the youth home entertainmentmarket.

Divisions and Subsidiaries:

Resco Electronics Division
Pennsauken, New Jersey
(609) 662-4000

Masters Merchandise Mart.Inc.
Sarasota, Florida
(813) 355-7183

Progress Electronics Inc.
Painview, New York
(516) 433-1700

ASI, Inc.
Binghamton, New York
(607) 723-6326

T.F. Cushing, Inc.
Springfield, Massachusetts
(413) 788-7341

Connector Company Division
New Haven, Connecticut
(203) 624-0127

Transfer Agent(s):

Bradford Trust Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: ASI

Sales and Earnings

	Net Sales	Net Income#
1980	$ 55,125,239	$ 1,484,123
1979	42,596,767	1,127,931
1978	37,032,510	1,005,862
1977	31,226,719	735,192
1976	27,356,210	401.911

	No. of Comm. Shares	Earn per Share‡#
1980	701,157	$2.11
1979	670,657	1.26
1978	894,279	1.05
1977	1,275,900	0.55
1976	1,268,050	0.32

(Loss)
‡ Based on the weighted average number of shares outstanding.
# Including extraordinary gain of $100,362 ($0.10 per share) in 1978.

Revenues By Line of Business

	1980	1979
Sales of electronic parts & components	$ 25,616,289	$ 21,170,444
Catalog showrooms	26,823,342	18,448,258
Mail order sales of power tools & equip. sales	1,170,752	1,329,383
Manufacture & sale of stereo equip.	1,514,856	1,648,682
Total	$ 55,125,239	$ 42,596.767

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 6,965,405	$9.93
1979	5,437,782	8.11
1978	6,659,427	7.45
1977	8,080,977	6.33
1976	7,519,208	5.93

Income Account *

Year ended March 31	1980	1979
Net sales	$ 55,125,239	$ 42,596,767
Cost of sales	39,313,443	30,899,752
Expenses	11,230,616	8,625,772
Prov.for doubtful accts.	75,324	50,249
Interest expenses	1,856,555	1.127.620
Interest income	(12,564)	(39,856)
Gain on sale	(93,847)	—
Income before taxes	$ 2,755,712	$ 1,993,230
Income taxes	1,271,589	805,299
Net Income	$ 1,484,123	$ 1,127,931

*Included in Costs and Expenses, Depreciation and Amortization $528,892 in 1980 and $332,572 in 1979.

Assets

As of March 31	1980	1979
Cash	$ 2,126,657	$ 1,143,053
Accts.& notes receiv. net	4,345,401	3,588,087
*Inventories	15,779,296	11,325,124
Prepaid expenses	64,249	36,772
Current Assets	$ 22,315,603	$ 16,093,036
#Fixed assets	6,124,725	5,220,584
Other assets	993,445	351,429
Intangibles	1,019,672	1,019,672
Total Assets	$ 30,453,445	$ 22,684,721

Liabilities

Notes payables	$ 2,971,034	$ 1,066,531
Long-term debt.curr.	1,037,376	688,311
Accts.& notes payable	5,877,275	4,704,032
Accruals	748,241	401,958
Income taxes	359,275	173,286
Curr. Liabilities	$ 10,993,201	$ 7,034,118
Long-term debt	11,986,235	9,942,191
Def.income taxes	508,604	270,630
+ Common stock	233,723	223,556
Add paid-in capital	1,725,373	1,692,040
Retained earnings	5,006,309	3,522,186
Total Liabilities & Shareholders' Equity	$ 30,453,445	$ 22,684,721

*At lower of cost (FIFO) or market.
Less accumulated depreciation & amortization.
+ $0.33-1/3 par value.

Statistical Summary

%Income bef.Taxes to Sales	5.00	4.68
%Net Income to Sales	2.69	2.65
%Net income to Equity	21.31	20.74
Sales to Inventories	3.49	3.76
Working Capital	$ 11,322,402	$ 9,058,918
Current Ratio	2.03	2.29
Shareholders' Equity	$ 6,965,405	$ 5,437,782

Astrosystems, Inc.

6 Nevada Drive
Lake Success, New York 11042
(516) 328-1600

Officers: Seymour Barth, chairman of the board & president; Elliot J. Bergman, vice president and secretary; Gilbert H. Steinberg, vice president and treasurer.

Directors: Seymour Barth, Elliot J. Bergman, Morton L. Certilman, Gilbert H. Steinberg.

Areas of Work: Designs and manufactures proprietary electronic and electromechanical products for precision monitoring and control of industrial, military and aerospace processes, often used in conjunction with computers, programmable controllers and micro-processors.

Subsidiaries:

Dimensional Systems, Incorporated
100 Commerce Way
Woburn, Massachusetts 01801
Designs complete computer-based systems for the control of various manufacturing processes.

ASI International, Inc. (DISC)
6 Nevada Drive
Lake Success, New York 11040

Astrosystems, Inc.

Transfer Agent(s):

Continental Stock Transfer & Trust Company
19 Rector Street
New York, New York 10006

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ASTR (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1980	$ 6,732,000	$ 1,272,000
1979	6,354,000	894,000
1978	5,717,000	730,000
1977	5,040,000	877,000
1976	6,105,782	627,044

	No. of Com. Shares ‡	Earn. per Share ‡
1980	3,380,000	$0.38
1979	3,444,000	0.26
1978	3,496,000	0.21
1977	3,536,000	0.25
1976	3,632,000	0.17

‡ Based on weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	4-for-1†

† Authorized Nov., 1980

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 5,764,000	$1.71
1979	4,601,000	1.34
1978	3,760,000	1.08
1977	3,079,000	0.87
1976	4,122,495	1.14

‡ Based on weighted average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended Aug. 31	1980	1979
Net sales	$ 6,732,000	$ 6,354,000
Cost of sales	3,106,000	3,065,000
Expenses	1,417,000	1,581,000
Profit-sharing plan contrib.	150,000	200,000
Other income	(387,000)	(314,000)
Prov. for doubtful accts.	—	178,000
Income before taxes	$ 2,446,000	$ 1,644,000
Income taxes	1,174,000	750,000
Net Income	$ 1,272,000	$ 894,000

* Included in Costs and Expenses, Depreciation and Amortization: $13,000 in 1979 and $16,000 in 1978.

Assets

As of Aug. 31	1980	1979
Cash	$ 195,000	$ 179,000
Marketable securities	5,139,000	4,627,000
Accts. & notes receiv.	876,000	740,000
* Inventories	221,000	606,000
Prepaid expenses & other assets	147,000	120,000
Current Assets	$ 6,578,000	$ 6,272,000
Marketable securities	844,000	—
# Fixed assets	20,000	27,000
Other assets	3,000	3,000
Total Assets	$ 7,445,000	$ 6,302,000

Liabilities

Accts. payable	$ 288,000	$ 251,000
Accruals	169,000	318,000
Accrued prof. sh.	150,000	200,000
Accrued payroll	123,000	122,000
Income taxes	951,000	810,000
Curr. Liablities	$ 1,681,000	$ 1,701,000
+ Common stock	335,000	25,000
Add. paid-in capital	230,000	535,000
Retained earnings	5,199,000	4,041,000
Total Liabilities & Shareholders' Equity	$ 7,445,000	$ 6,302,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	36.33	25.87
%Net Income to Sales	18.89	14.07
%Net Income to Equity	22.07	19.43
Sales to Inventories	30.46	10.49
Working Capital	$ 4,897,000	$ 4,571,000
Current Ratio	3.91	3.69
Shareholders' Equity	$ 5,764,000	$ 4,601,000

Atlan-Tol Industries, Inc.

Atlan-Tol Industrial Park
West Warwick, Rhode Island 02893
(401) 828-4000

Officers: Albert W. Ondis, president & treasurer; Walter E. Guertler, Jr., controller; Everett V. Pizzuti, Louis J. Valois, vice presidents.

Directors: Albert W. Ondis, Jacques V. Hopkins, Edward M. Watson.

Areas of Work: Engaged in the manufacture of vacuum metalized capacitor dielectric materials, electronic instruments (primarily graphic recording instruments), and electrosensitive print-out paper.

Transfer Agent(s):

Rhode Island Hospital Trust National Bank
Hospital Trust Plaza
Providence, Rhode Island 02903

Stock Exchange(s): Boston, Over-the-Counter

Ticker Symbol: ALL ALIT (NASDAQ)

Sales and Earnings

	Net Sales	Net Income †
1981	$ 9,528,129	$ 291,283
1980	8,150,791	423,309
1979	5,917,000	337,353
1978	5,232,032	280,689
1977	4,116,522	219,920

	No. of Com. Shares	Earn. per Share #†
1981	772,079	$0.36
1980	772,079	0.53
1979	772,079	0.44
1978	772,079	0.36
1977	772,079	0.28

† Including extraordinary gains of $144,000 ($0.18 per share) in 1978 and $96,000 ($0.12 per share) in 1977.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 1,768,358	$2.29
1980	1,477,075	1.91
1979	1,053,766	1.36
1978	716,413	0.93
1977	435,724	0.56

Income Account *

Year ended Jan. 31	1981	1980
Net sales	$ 9,528,129	$ 8,150,791
Other income	3,275	5,552
Total income	$ 9,531,404	$ 8,156,343
Cost of sales	7,141,078	6,071,793
Expenses	1,519,129	1,216,720
Interest expense	432,550	269,846
Income before taxes	$ 438,647	$ 597,984
Income taxes	147,364	174,675
Net Income	$ 291,283	$ 423,309

* Included in Costs and Expenses, Depreciation and Amortization: $282,310 in 1981 and $221,589 in 1980.

Assets

As of Jan. 31	1981	1980
Cash	$ 22,707	$ 64,490
Trade accts. & notes receiv.	1,750,309	1,360,303
* Inventories	2,135,856	2,004,117
Prepaid expenses & other assets	179,952	131,944
Current Assets	$ 4,088,824	$ 3,560,854
# Fixed assets	3,393,073	2,913,366
Other assets	38,541	40,535
Intangibles	142,257	146,995
Total Assets	$ 7,662,695	$ 6,661,750

Liabilities

Notes payable	$ 1,471,611	$ 847,201
Long-term debt, curr.	239,890	145,164
Accts. payable	1,734,479	1,377,462
Accruals	190,692	366,408
Income taxes	24,309	120,447
Contractual payments	—	374,686
Curr. Liabilities	$ 3,660,981	$ 3,231,368
Long-term debt	2,121,818	1,893,474
Deferred inc. taxes	111,538	59,833
+ Common stock	38,604	38,604
Add. paid-in capital	492,681	492,681
Retained earnings	1,237,073	945,790
Total Liabilities & Shareholders' Equity	$ 7,662,695	$ 6,661,750

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.05 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.60	7.34
%Net Income to Sales	3.06	5.19
%Net Income to Equity	16.47	28.66
Sales to Inventories	4.46	4.07
Working Capital	$ 427,843	$ 329,486
Current Ratio	1.12	1.10
Shareholders' Equity	$ 1,768,358	$ 1,477,075

Audiotronics Corporation

7428 Bellaire Avenue
North Hollywood, California 91605
(213) 765-2645

Mailing Address:

Box 3997
North Hollywood, California 91609

Officers: Don E. Warner, chairman & president; Charles A. Musson, exec. v.p.; Celia S. LaSalle, v.p. & secretary; Allen E. Sawyers, v.p.-operations; James R. Hopkins, v.p.-finance & treasurer.

Directors: Don E. Warner*, Celia S. LaSalle*, Charles A. Musson*, Walter Liberato, Fred Edward, Robert H. Klugman.

*Member of Executive Committee.

Areas of Work: Designs, manufactures and markets video displays, monitors, audiovisual products and instructional programs for industry, education and communications.

Divisions:

Audiotronics Video Display Division, Inc.
8299 Central Avenue N.E.
Spring Lake Park, Minnesota 55432
(612) 780-1840

Audiotronics Audio Products Division
7428 Bellaire Avenue
North Hollywood, California 91605
(213) 765-2645

Subsidiaries:

ATC Publishing Corporation
2895 Festival Drive
Kankakee, Illinois 60901
(815) 932-5012

Audiotronics International, Inc. (DISC)
North Hollywood, California 91605
(213) 765-2645

Audiotronics International, Inc.
London, England (U.K.)

Transfer Agent(s):

United California Bank
707 Wilshire Boulevard
Los Angeles, California 90017

Stock Exchange(s): American, Pacific

Ticker Symbol: ADO

Number of Employees:

1980	409	1977	325
1979	426	1976	259
1978	424		

Sales and Earnings

	Net Sales	Net Income
1980	$ 22,943,000	$ 965,000
1979	19,338,000	819,000
1978	16,504,000	991,000
1977	13,675,000	797,000
1976	11,645,000	696,000

	No. of Com. Shares #	Earn. per Shares #
1980	948,260	$1.02
1979	935,572	0.88
1978	923,283	1.07
1977	913,211	0.87
1976	918,189	0.76

# Based on weighted average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.160	—	—
1979	0.130	—	—
1978	0.120	10%	—
1977	0.165	—	—
1976	0.075	—	—

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 6,924,000	$7.30
1979	6,089,000	6.51
1978	5,350,000	5.79
1977	4,432,000	4.85
1976	3,771,000	4.10

# Based on weighted average number of common shares outstanding adjusted to reflect stock dividend.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 22,943,078	$ 19,337,915
Cost of sales	16,943,236	14,474,272
Selling expenses	1,849,505	1,700,906
Interest expense	330,124	267,793
Gen. & adm. expense	1,929,087	1,602,014
Gain on sale of stock	—	(113,266)
Income before taxes	$ 1,881,126	$ 1,406,196
Income taxes	916,000	887,000
Net Income	$ 965,126	$ 819,196

* Included in Costs and Expenses, Depreciation: $217,993 in 1980 and $224,899 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 596,015	$ 522,912
Accts. receiv., net	3,427,153	2,734,680
Overpayment of taxes	—	268,088
* Inventories	6,830,501	6,035,686
Prepaid expenses	76,893	101,513
Current Assets	$ 10,930,562	$ 9,662,879
# Fixed assets	909,795	451,208
Other assets	23,423	30,116
Product development costs	71,662	113,970
Total Assets	$ 11,935,442	$ 10,258,173

Liabilities

Notes payable	$ 400,000	$ 150,000
Long-term debt, curr.	269,068	240,000
Accts. payable	1,450,399	1,457,082
Accruals	647,672	496,015
Acceptances payable	948,759	1,085,635
Income taxes	774,170	—
Curr. Liabilities	$ 4,490,068	$ 3,428,732
Long-term debt	521,125	740,000
+ Common stock	951,211	941,057
Add. paid-in capital	1,731,889	1,720,543
Retained earnings	4,241,149	3,427,841
Total Liabilities & Shareholders' Equity	$ 11,935,442	$ 10,258,173

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.20	7.27
%Net Income to Sales	4.21	4.24
%Net Income to Equity	13.94	13.45
Sales to Inventories	3.36	3.20
Working Capital	$ 6,440,494	$ 6,234,147
Current Ratio	2.43	2.82
Shareholders' Equity	$ 6,924,249	$ 6,089,441

Augat Inc.

89 Forbes Boulevard
P.O. Box 448
Mansfield, Massachusetts 02048
(617) 543-4300

Officers: Roger D. Wellington, chairman of the board & chief executive officer; William P. Miller, president & chief operating officer; Gerald F. Barrett, executive v.p. & chief financial officer; Richard M. Grubb, v.p.-marketing; Thomas C. Colbert, v.p.-human resources; L. Harrison Thayer II, asst. secretary.

Directors: Robert S. Laurence, Ernest H. Augat, Samuel S. Dennis, III, James A. Harmon, Roger D. Wellington, Vernon R. Alden, Gerald F. Barrett, David V. Ragone, William P. Miller, Richard B. Young.

Areas of Work: Designs and manufactures electromechanical components, services, and precision materials for the electronic industry. Products include packaging panels, logic design and wiring service, sockets, and accessories for mechanically mounting and electrically interconnecting integrated circuits, sub-miniature switches, and high reliability packages for microcircuits and semiconductors.

Divisions and Subsidiaries:

Interconnection Components Division
Attleboro & Mashpee, Massachusetts
F. Angelis, v.p. & general manager.

Inerconnection Systems Division
Attleboro, Massachusetts
El Campo, Texas
Van Nuys, California
Fresnes, France
J. Braun, v.p. & general manager.

Isotronics, Inc.
New Bedford, Massachusetts
Joseph Tomlinson, president.

Alcoswitch
North Andover & Mashpee, Massachusetts
A. Contarino, president.

Vitek
Edison, New Jersey
El Paso, Texas
R. Geissler, president.

Reliable Electronic Finishing Company, Inc.
Canton, Massachusetts
A. Rosenberg, v.p. & general manager.

Electroform Inc.
Attleboro, Massachusetts
R. Thari, general manager.

Electroform S.A.
Bioggio, Manno & Lugano, Switzerland

Standard Plastics
Attleboro, Massachusetts
G. Dyer, general manager.

LRC Electronics
Horseheads, Vestal & Hornel, New York
K. McIntosh, president.

Precision Materials Division
Attleboro, Massachusetts
R. Hall, v.p. & gen. mgr.

Datatek
Houston, Texas
A. Epley, president

Aquisitions:

Bondex, Inc.
Waltham, Massachusetts
James J. Steranko, president

Transfer Agent(s):

Chase Manhattan Bank, N.A.
New York, New York

Stock Exchange(s): New York

Ticker Symbol: AUG

Number of Employees:

1980	3,000	1978	2,600
1979	3,000		

Augat Inc.

Plant Footage:

1980 .... 765,000 sq. ft.

Sales and Earnings

	Net Revenues	Net Income
1980	$157,294,000	$ 18,010,000
1979	133,830,000	16,103,000
1978	90,106,000	10,891,000
1977	61,555,000	6,933,000
1976	43,536,000	4,535,000

	No. of Com. Shares #	Earn. per Share#
1980	8,850,000	$2.04
1979	8,660,000	1.86
1978	8,153,000	1.34
1977	7,773,000	0.89
1976	7,772,000	0.58

# Based on the weighted average number of common shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Cash Dividend	Stock Split
1980	$0.44	—	—
1979	0.35	—	3-for-2
1978	0.29	—	3-for-2
1977	0.16	—	—
1976	0.08	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 82,884,000	$9.37
1979	66,731,000	7.71
1978	51,848,000	6.36
1977	31,465,000	4.05
1976	25,654,000	3.30

+ Based on the weighted average number of common shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1980	1979
Net Revenues	$157,293,678	$133,829,746
Cost of sales	99,482,432	82,950,661
Expenses	25,665,323	20,660,956
Other income	(1,155,598)	(276,607)
Interest expense	1,483,547	530,479
Income before taxes	$ 31,817,974	$ 29,964,257
Income taxes	13,455,000	12,543,000
Minority interest	353,000	1,318,000
Net Income	$ 18,009,974	$ 16,103,257

* Included in Costs and Expenses, Depreciation and Amortization: $4,439,027 in 1980 and $3,450,722 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 20,493,885	$ 1,907,593
Short-term investments	9,269,656	434,113
Accts. receiv., net	28,661,124	25,060,147
Note receiv.	—	363,616
* Inventories	42,882,630	37,152,603
Prepaid expenses	431,594	512,272
Current Assets	$101,738,889	$ 65,430,344
# Fixed assets	40,692,478	31,061,271
Other assets	5,423,569	594,699
Total Assets	$147,854,936	$ 97,086,314

Liabilities

	1980	1979
Notes payable	$ —	$ 2,077,749
Long-term debt, curr.	794,638	531,961
Accts. payable	4,187,451	3,921,559
Accrued payroll and other compensation	2,616,843	2,673,435
Other accrued expenses	3,507,638	1,993,247
Income taxes	9,668,683	7,532,770
Curr. Liabilities	$ 20,775,253	$ 18,730,721
Long-term debt	41,051,437	5,999,308
Minority interest	477,245	3,693,426
Deferred inc. taxes	2,666,887	1,931,887
+ Common stock	891,560	870,543
Add. paid-in capital	15,310,552	13,280,359
Retained earnings	66,682,002	52,580,070
Total Liabilities & Shareholders' Equity	$147,854,936	$ 97,086,314

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	20.23	22.39
%Net Income to Sales	11.45	12.03
%Net Income to Equity	21.73	24.13
Sales to Inventories	3.67	3.60
Working Capital	$ 80,963,636	$ 46,699,623
Current Ratio	4.90	3.49
Shareholders' Equity	$ 82,884,114	$ 66,730,972

Auric Corporation

470 Frelinghuysen Avenue
Newark, New Jersey 07114
(201) 242-4110

Officers: Maurice Bick, president; Leo Kosowsky, vice president.

Directors: Maurice Bick, Leo Kosowsky, Theodore Cohn, Theodore Doll, Jr.

Areas of Work: Providing chemical products, gold processes and solutions equipment, and materials, all of which are used in the electronics, aerospace, computer metal working and jewelry industries.

Subsidiaries:

Fidelity Chemical Products Corporation

Transfer Agent(s):

Midlantic National Bank
Newark, New Jersey

Stock Exchange(s): Over-the-Counter

Number of Employees:

1979	30	1977	30
1978	30	1976	25

Plant Footage:

1979	20,000 sq. ft.	1977	20,000
1978	20,000	1976	20,000

Sales and Earnings

	Net Sales +	Net Income
1980	$ 19,694,590	$ 125,920
1979	9,109,735	48,669
1978	8,542,931	111,429
1977	5,470,226	(76,926)

	No. of Com. Shares	Earn. per Share ‡
1980	401,700	$0.31
1979	401,700	0.12
1978	401,700	0.28
1977	401,700	—

(Loss)
+ Of continuing operations.
‡ Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,426,664	$3.55
1979	1,300,744	3.24
1978	1,252,075	3.12
1977	1,140,646	2.84

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 19,694,590	$ 9,109,735
Cost of sales	18,859,799	8,449,567
Expenses	615,911	588,189
Interest expense	54,520	51,678
Other income	(22,760)	(33,068)
Income before taxes	$ 187,120	$ 53,369
Income taxes	61,200	4,700
Net Income	$ 125,920	$ 48,669

* Included in Costs and Expenses, Depreciation and Amortization: $88,502 in 1980 and $80,124 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 822,386	$ 163,704
Accts. receiv., net	590,133	587,876
Refundable taxes	7,207	17,207
* Inventories	1,715,535	688,622
Prepaid exp. & other assets	50,086	63,073
Treas. bills	—	333,681
Current Assets	$ 3,185,347	$ 1,854,163
# Fixed assets	597,357	577,440
Other assets	79,893	37,012
Total Assets	$ 3,862,597	$ 2,468,615

Liabilities

	1980	1979
Notes payable	$ —	$ 200,000
Accts. payable	2,088,233	639,737
Accruals	71,615	64,294
Inc. taxes	38,300	—
Due customers	42,085	43,990
Long-term debt, curr.	31,250	31,250
Curr. Liabilities	$ 2,271,483	$ 979,271
Long-term debt	156,250	187,500
Deferred inc. taxes	8,200	1,100
+ Common stock	40,170	40,170
Add. paid-in capital	457,335	457,335
Retained earnings	929,159	803,239
Total Liabilities & Shareholders' Equity	$ 3,862,597	$ 2,468,615

* Gold at LIFO. Chemicals and solvents and supplies are valued using the FIFO method.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	0.95	0.59
%Net Income to Sales	0.64	0.53
%Net Income to Equity	8.83	3.74
Sales to Inventories	11.48	13.23
Working Capital	$ 913,864	$ 874,892
Current Ratio	1.40	1.89
Shareholders' Equity	$ 1,426,664	$ 1,300,744

Avco Corporation

1275 King Street
Greenwich, Connecticut 06830
(203) 531-2800

Officers: James R. Kerr, chairman of the board & chief executive officer; Ross M. Hett, president & chief operating officer;

Avco Corporation

George L. Hogeman, vice chairman of the board; Matthew J. Shevlin, Donald K. Farrar, executive vice presidents; Gordon M. Tuttle, exec. v.p. & general counsel; Mac C. Adams, Owen E. Metzler, senior vice presidents; Charles Y. Brush, vice president-investments; George C. Coleman, vice president-personnel; John B. Kelley, v.p.-gov't affairs; William D. Gaillard, vice president & secretary; Warren Kunz, vice president-planning; Dorothy M. Simon, vice president-research; Harry E. Petschek, Francis X. Suozzi, Joseph S. Bartos, vice presidents; Gary E. Atwell, controller; John J. Delucca, treasurer.

Directors: James R. Kerr, chairman; Kendrick R. Wilson, Jr., Ross M. Hett, Francis A. Harrington, Stanley E.G. Hillman, G. Keith Funston, Edward R. Hodgkins, Frederick W.P. Jones, Amos A. Jordan, Jr., Robert P. Bauman, Joseph R. Carter, George L. Hogeman, Sumner B. Tilton, Jr., Charles J. Merdinger.

Areas of Work: Provides consumer loans and other financial services, distributes motion pictures, manufactures commercial products such as aircraft components and specialized farm equipment, produces aerospace and defense equipment for the government, and engages in a variety of research and development activities. Also has subsidiaries involved in the life, accident and health, and variable annuity insurance fields, as well as majority interests in a land development concern.

Divisions and Subsidiaries:

Avco Electronics Division
4807 Bradford Drive
Huntsville, Alabama 35805
(205) 837-6500

Electronic equipment for the government and computerized data system for the National Aeronautics and Space Administration which will be used during the groundystems for the U.S. Army. Supplies classroom audiovisual equipment, centralized fire and theft security systems, and electronic equipment used in telephone switchboards. It also manufactures a hydraulic load control system which, by simulating extreme flight controls, enables manufacturers to test the strength and durability of airframe structures.

Avco Aerostructures Division
P.O. Box 210
Nashville, Tennessee 37202
(615) 361-2000

Airframe structures and assemblies; motorhomes, universal shock test equipment,Avco Lycoming Division
652 Oliver Street
Williamsport, Pennsylvania 17701
(717) 323-6181

Aircraft piston engines, industrial and automotive diesel engines.

Avco Lycoming Division
550 South Main Street
Stratford, Connecticut 06497
(203) 378-8211

Gas turbine engines and support equipment for aircraft, marine, industrial andvehicle applications-subcontract machining.

Avco New Idea Farm Equipment Division
420 South First Street
Coldwater, Ohio 45828
(419) 678-5311

Specialized farm equipment.

Avco International Service Division
12011 Mosteller Road
Cincinnati, Ohio 45241
(513) 772-1960

Airport and missile range operations, vocational training, technical services icluding communications, logistics, field engineering, calibration; flight inspection.

Avco Everett Research Laboratory, Inc.
2385 Revere Beach Parkway
Everett, Massachusetts 02149
(617) 389-3000

Contract research, magnetohydrodynamics (MHD) power techniques, power energy lasers, biomedical engineering, coal gasification, atomic physics research.

Avco Systems Division
201 Lowell Street
Wilmington, Massachusetts 01887
(617) 657-5111

Operational re-entry vehicles, penetration aids, arming and freezing systems, electronic countermeasures equipment, computer services.

Avco Specialty Materials Division
Two Industrial Avenue
Lowell, Massachusetts 01851
(617) 452-8961

Boron, graphite and silicon carbide reinforced composites, fire protection materials.

The Paul Revere Companies
18 Chestnut Street
Worcester, Massachusetts 01608
(617) 799-4441

Health and accident insurance; life insurance; variable annuities, mutual fund management, pension plans.

Avco Financial Services, Inc.
620 Newport Center Drive
Newport Beach, California 92660
(714) 644-5800

Consumer loans, retail installment contracts, second mortgages, credit life insurance, casualty insurance, leasing.

Avco Financial Insurance Group
620 Newport Center Drive
Newport Beach, California 92660
(714) 644-8260

Credit life, disablity and customized casualty insurance.

Cartan Travel Bureau, Inc.
One Crossroads of Commerce
Rolling Meadows, Illinois 60008
(312) 870-2222

Travel services.

Avco Embassy Pictures Corp.
956 Seward Street
Los Angeles, California 90038

Motion picture distribution.

Avco Community Developers, Inc. (86% owned)
16770 West Bernardo Drive
San Diego, California 92127
(714) 277-2132

Master-planned residential communities in Southern California.

Transfer Agent(s):

J. Henry Schroder Bank & Trust Company
One State Street
New York, New York 10015

Crown Trust Company
302 Bay Street
Toronto MSH 2P4, Ontario, Canada

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Stock Exchange(s): New York, Midwest, Pacific

Number of Employees:

1980	26,869	1977	24,01
1979	27,102	1976	23,01
1978	25,073		

Sales and Earnings

	Net Revenues +	Net Income ‡
1980	$2,149,906,000	$118,550,000
1979	1,932,155,000	132,283,000
1978	1,727,566,000	122,707,000
1977	1,507,727,000	116,603,000
1976	1,318,055,000	91,299,000

	No. of Com. Shares #	Earn. per Share ‡ #
1980	16,091,000	$6.56
1979	13,874,000	8.56
1978	12,229,000	8.96
1977	11,687,000	8.92
1976	11,596,000	6.60

+ Of continuing operations only.

‡ Including extraordinary gains of $1,558,000 ($0.10 per share) in 1980, $4,328,000 ($0.31 per share) in 1979. $4,900,000 ($0.40 per share) in 1978, $16,886,000 ($1.44 per share) in 1977 and $12,126,000 ($1.05 per share) in 1976.

# Based on average number of common shares outstanding.

Revenues By Line of Business

	1980	1979
Finance and Insurance:		
Consumer finance	$634,153,000	$578,984,000
Credit life, dis. & casualty insur.	203,211,000	192,564,000
Life insur. annuities	177,357,000	138,159,000
Accident & health insur.	169,971,000	157,802,000
Products and Services:		
Transportation struc. & engines	446,375,000	391,551,000
Management services	103,127,000	83,268,000
Land development	93.022,000	124,187,000
Other	322,690,000	265,640,000
Total	$2,149,906,000	$932,155,000

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$865,467,000	$53.78
1979	749,938,000	54.05
1978	606,788,000	49.62
1977	485,549,000	41.99
1976	363,860,000	32.08

‡ After allowing for preferred stock at liquidation value.

Income Account *

Year ended Nov. 30	1980	1979
Net sales	$ 961,733	$ 862,856
Other income	1,188,173	1,069,299
Revenues	$ 2,149,906	$ 1,932,155
Cost of sales	735,492	642,270
Expenses	536,278	472,012
Interest expense	325,739	272,857
Other charges	378,895	331,040
Unreal. loss (gain) on for. exch. fluc.	(5,912)	4,473
Income before taxes	$ 179,414	$ 209,503
Income taxes	62,422	81,548
Net Income	$ 116,992	$ 127,955
Extraordinary gain	1,558	4,328
Net Income & extraordinary gain	$ 118,550	$ 132,283

Assets

As of Nov. 30	1980	1979
Cash	$ 47,577	$ 49,289
Investments	1,280,265	1,161,167
Accts. receiv., net	3,167,462	2,990,942
* Inventories	560,246	429,066
# Fixed assets	198,196	175,085
Other assets	453,086	356,231
Intangibles	136,694	138,621
Total Assets	$ 5,843,526	$ 5,300,401

Liabilities

Notes payable	$ 3,312,474	$ 3,012,303
Savings deposits	42,372	36,631
Accts. payable	380,310	341,282
Insurance reserves and claims	1,000,143	911,217
Income taxes	109,542	109,279
+ Preferred stock	10,524	10,965
+ + Preferred stock	11,823	12,497
+ + + Common stock	50,682	47,214
Add. paid-in capital	137,084	121,306
Retained earnings	792,794	706,182
Loss on equity securities	(4,222)	(8,475)
Total Liabilities & Shareholders' Equity	$ 5,843,526	$ 5,300,401

* At lower of cost (FIFO) or estimated realizable value.

# Less accumulated depreciation.

+ No par value; $3.20 cumulative convertible; $6 stated value.

+ + No par value; $4.20 cumulative convertible; $7.50 stated value.
+ + + $3 par value.

Statistical Summary

%Income before Taxes to Sales	18.66	24.28
%Net Income to Sales	12.16	14.83
%Net Income to Equity	11.71	14.38
Shareholders' Equity	$998,685,000	$889,689,000

Avnet, Inc.

767 Fifth Avenue
New York, New York 10153
(212) 644-1050

Officers: Anthony R. Hamilton, chairman of the board & chief executive officer; Leon Machiz, president; Edwin B. Kanner, executive v.p. & chief operating officer; Sylvester Herlihy, Joseph Brown, sr. v.p.'s; Harris E. Fisher, sr. v.p. & secretary; J. Lee Bonoff, William Cacciatore, Franklin S. Hoffman, Alvin A. Odintz, David Shaw, Leon Tell, Irwin Lubalin, Edward Stimer, Leo Brown, Leonard Freeman, Samuel Perelman, Jordan Berman, v.p.'s; Walter Hyjek, v.p., controller & asst. treasurer; William Rose, v.p. & general counsel; John H. Regazzi, treasurer; Louis Berger, [illegible]ence Light, Marion Winston, asst. secretaries.

Directors: Anthony R. Hamilton, chairman of the board; Harris E. Fisher, Albert A. List*, Louis Berger, Joseph Brown, Leon Machiz*, Sylvester D. Herlihy, George Weissman*, Harry Resnick, Alvin E. Friedman*, Jordan Berman, Edwin B. Kanner, J. Lee Bonoff, John W. Kenney.

*Member of Executive Committee.

Divisions and Subsidiaries:

Automotive Group

American Precision Co.
Chicago, Illinois
Manufactures clutch plates used in trucks and earthmovers, and special clutchplates for some automobiles.

Avnet International Limited
Toronto, Ontario, Canada
Produces and distributes electro-automotive parts to the Canadian aftermarket,such as coils for automobile starters, alternators and generators.

Mechanics Choice
Philadelphia, Pennsylvania
Distributor of electro-automotive parts and shop supplies to car dealers, service stations, industrial accounts, and auto fleet owners.

Valley Forge Products
Inwood, New York
Manufactures and distibutes automotive ignition parts and components for engine electrical systems. Its major products are contact points, distributor caps and switches, and electronic voltage regulators.

Karnin Diecasting
Zinc and aluminum diecastings.

Consumer Products Group

B.I.C./Avnet
Westbury, New York
Distributor of hi fidelity components, cassette decks, loudspeakers and solder.
Channel Master
Ellenville, New York
White Mills, Pennsylvania
Kaohsiung, Taiwan
St. Thomas, Canada
TV antenna manufacturer; supplier of replacement color TV tubes, automotive and antennas.

Guild Musical Instruments
Westerly, Rhode Island
Elizabeth, New Jersey
Manufactures and distributes guitars and guitar accessories.

Meisel Music Company
Union New Jersey
Imports and distributes string instruments and accessories.

Irving W. Rice & Co. Inc.
New York, New York
Markets a line of imported toiletry containers, atomizers, decorative night lights, glass and porcelainware, and illuminated mirrors and bath accessories to stores.

Tenva Inc. Tenva Audio (Mexico)
OEM record changers.

Avnet International (Taiwan)
OEM receivers, cassette decks, 8-track and cassette mechanisms.

Channel Master Satellite Systems, Inc.
Microwave components for CATV, MATV, and satellite TV.

Electrical and Engineering Group

Culver City, California
Industrial distributor and assembler of components for the electronic industry.or, communications, automotive, military, and research and development markets.The product line includes semiconductors, transistors, diodes, integrated and hybrid circuits, microprocessors. PROM's, capacitors, resistors, relays, digitaldisplays, potentiometers, small meters, switches, electrical connectors and other devices.

Brownell Electro
Electric motors and repair parts.

Ward Electric/Fisher Switches
Switches, relays and timers.

Freeman Products
Trophy parts.

Premier Vacuum Process
Vacuum plating.

Wire and Cable Group

Carlton Mfg.
Central Falls, Rhode Island
Produces stamped and formed metal parts; the principal product is metal spoolsfor the wire industry.

Carol Cable Company/Carol Cable West
Compton, California
Pawtucket, Warren and Lincoln, Rhode Island
Taunton, Massachusetts
Produces portable cord, power supply cable, welding cable, machine tool wire, fixture and appliance wire, control cable, mining machine cable, automotive and marine cable, TV antenna and rotor cable, and thermostat cable.

Colonial Engineering Co.
Cambridge, Massachusetts
Custom fabrication of steeland stainless steel cabinetry; also manufactures andColumbia Electronic Cables
New Bedford, Massachusetts
Electronic wire and cable wholesalers.

Lincoln Controls
Pawtucket, Rhode Island
Distributes hydraulic and pneumatic equipment and replacement parts; manufactures pneumatic and hydraulic production control systems.

Miller Electric Co.
Woonsocket, Rhode Island
Makes cordsets.

Sterling Automotive
Elk Grove Village, Illinois
Makes automotive thermostats and hose clamps.

Avnet Machinery
Assembles and distributes machinery and peripheral diecasting equipment for the diecasting industry.

Avnet Diecasting
Zinc diecasting.

Electronic Marketing Group

Hamilton/Avnet Electronics
Semiconductors, microprocessors, connectors, computer system products and other electronic components.

Time Electronics/Electro Air
Electrical connectors, semiconductors, and other components.

Transfer Agent(s):
Chemical Bank
New York, New York

Stock Exchange(s): New York, Midwest, Pacific, Phila.-Balt.-Wash., Boston.

Ticker Symbol: AVT

Number of Employees:
1980 12,000

Plant Footage:
1980 . . . . . . 4,862,000 sq. ft.

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 1,266,800	$ 71,700
1979	1,028,100	54,500
1978	806,600	39,600
1977	719,600	40,200
1976	621,498	35,416

	No. of Com. Shares ‡‡	Earn. per Share‡‡
1980	15,680,852	$4.57
1979	15,564,973	3.50
1978	15,441,354	2.56
1977	14,130,667	2.80
1976	13,553,235	2.55

‡‡ Based on weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Electronic marketing group	$ 699,500	$ 512,400
Consumer products group	133,[illegible]00	122,800
Wire & Cable group	247,[illegible]0	222,800
Automotive group	67,[illegible]0	70,700
Electrical & engineering group	118,[illegible]	99,400
Total	$ 1,266,[illegible]	$ 1,028,100

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.85	—	—
1979	0.75	—	—
1978	0.70	—	—
1977	0.625	—	—
1976	0.50	--	—

Common Stock Equity

	Total Equity ‡	Equity Per Share #
1980	$369,981,331	$23.59
1979	305,650,206	19.64
1978	260,994,725	16.90
1977	229,537,693	16.24
1976	190,303,438	14.04

‡ After allowing for preferred stock at total liquidation preference value.
# Based on weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended June 30	1980	1979
Net sales	$1,266,804,401	$1,028,132,596
Other income	3,775;435	1,138,123

Total income	$1,270,579,836	$1,029,270,719
Cost of sales	908,656,837	738,519,063
Expenses	210,242,249	174,354,545
Interest expense	14,543,878	9,153,460
Income before taxes	$137,136,872	$107,243,651
Income taxes	65,434,749	52,791,610
Net Income	$ 71,702,123	$ 54,452,041

* Included in Costs and Expenses, Depreciation and Amortization: $8,256,984 in 1980 and $7,425,797 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 14,887,136	$ 15,695,124
Receiv., net	221,475,826	185,072,487
*Inventories	297,545,945	259,311,297
Other curr. assets	7,725,370	3,182,821
Current Assets	$541,634,277	$463,261,729
#Fixed assets	54,849,120	53,658,846
Intangibles & other assets	22,556,800	22,566,887
Total Assets	$619,040,197	$539,487,462

Liabilities

Long-term debt, curr.	$ 3,042,321	$ 2,973,255
Accts. payable	67,268,877	60,790,192
Accruals	52,050,661	43,269,526
Income taxes	18,933,795	19,765,817
Commercial paper	47,086,364	58,700,000
Dividend payable	3,847,409	3,004,686
Curr. Liabilities	$192,229,427	$188,503,476
Long-term debt	55,667,991	43,689,452
+ Preferred stock	86,322	121,496
+ Common stock	15,416,394	15,050,564
Add. paid-in capital	33,037,943	28,236,444
Retained earnings	322,960,818	264,282,420
Treasury stock	(358,698)	(396,390)
Total Liabilities & Shareholders' Equity	$619,040,197	$539,487,462

* At cost (FIFO) or market, whichever is lower.
# Less accumulated depreciation.21 + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.83	10.43
%Net Income to Sales	5.66	5.30
%Net Income to Equity	19.32	17.72
Sales to Inventories	4.26	3.96
Working Capital	$349,404,850	$274,758,253
Current Ratio	2.82	2.46
Shareholders' Equity	$371,142,779	$307,294,534

AVX Corporation

60 Cutter Mill Road
Great Neck, New York 11021
(516) 829-8500

Officers: Marshall D. Butler, president & chairman of the board; Bernard Zisman, v.p.-finance & secretary; Benedict P. Rosen, William Dawson, group v.p.'s; John Makhijani, v.p.-marketing; Robert H. Boughrum, v.p.-sales; Elliott Philofsky, v.p.-technology; John S. Johnson, controller; Joseph R. Sicree, treasurer.

Directors: Marshall D. Butler, chairman; Herbert E. Grier, Ted H. McCourtney, D.K. Patton, Clare Rawson, W. Myron Owen, A. Robert Towbin, Seymour Leslie, Donald K. Thostenson.

Divisions:

Ceramics Division
Olean, N.Y.; Myrtle Beach, S.C.; San Diego, Calif.
Aldrershot, England; San Salvador, El Salador; Colerane, Northern Ireland

Engaged in the production of ceramic multilayer capacitors to the electronic industry.

Materials Division
San Diego, California

Produces thick-film conductors, dielectrics and sealing glasses.

Transfer Agent(s):

National Bank of North America
New York, New York

Stock Exchange(s): New York

Ticker Symbol: AVX

Number of Employees:

1980	4,191	1979	4,393

Plant Footage:

1980	487,000 sq. ft.	1977	311,000
1979	383,000	1976	278,500
1978	422,000		

Sales and Earnings

	Net Sales +	Net Income
1980	$141,138,000	$ 8,016,000
1979	91,554,000	7,517,000
1978	63,740,000	4,482,000
1977	44,012,000	2,774,000
1976*	33,390,000	1,920,000

	No. of Com. Shares ×	Earn. per Share ×
1980	4,559,764	$1.76
1979	3,756,277	2.00
1978	3,206,094	1.40
1977	2,834,406	0.98
1976	2,816,126	0.68

* 53 weeks.
+ Of continuing operations only.
× Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.32	—	—
1979	0.25	—	2-for-1
1978	0.16	—	5-for-4
1977	0.13	—	—
1976	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 67,601,000	$14.47
1979	38,869,000	10.55
1978	32,120,000	8.85
1977	15,400,000	5.60
1976	12,758,000	4.75

† Adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$141,138,000	$ 91,554,000
Cost of sales	103,549,000	62,840,000
Expenses	20,264,000	14,224,000
Other income	(1,546,000)	(124,000)
Interest expense	4,870,000	1,881,000
Minority interest	(35,000)	(23,000)
Income before taxes	$ 14,036,000	$ 12,756,000
Income taxes	6,020,000	5,239,000
Net Income	$ 8,016,000	$ 7,517,000

Assets

As of Dec. 31	1980	1979
Cash	$ 23,065,000	$ 3,237,000
Accts. & notes receiv., net	29,672,000	20,084,000
*Inventories	53,127,000	35,638,000
Prepaid inc. taxes	1,719,000	1,377,000
Other assets	455,000	292,000
Current Assets	$108,038,000	$ 60,628,000
# Fixed assets	46,041,000	36,604,000
Investments	2,716,000	—
Other assets	3,976,000	831,000
Total Assets	$160,771,000	$ 98,063,000

Liabilities

Notes payable	$ 3,000,000	$ 500,000
Long-term debt, curr.	—	118,000
Accts. payable	5,450,000	8,183,000
Accruals	10,501,000	8,071,000
Income taxes payable	3,395,000	3,157,000
Dividends payable	374,000	240,000
Curr. Liabilities	$ 22,720,000	$ 20,269,000
Long-term debt	65,603,000	35,733,000
Deferred inc. taxes	4,252,000	2,834,000
Other liabilities	595,000	358,000
+ Common stock	4,673,000	3,683,000
Add. paid-in capital	38,271,000	17,681,000
Retained earnings	24,657,000	17,505,000
Total Liabilities & Shareholders' Equity	$160,771,000	$ 98,063,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.94	13.93
%Net Income to Sales	5.68	8.21
%Net Income to Equity	11.86	19.34
Sales to Inventories	2.66	2.57
Working Capital	$ 85,318,000	$ 40,359,000
Current Ratio	4.76	2.99
Shareholders' Equity	$ 67,601,000	$ 38,869,000

Aydin Corporation

401 Commerce Drive
Fort Washington, Pennsylvania 19034
(215) 643-7500

Officers: Ayhan Hakimoglu, president; David N. Dry, exec. v.p. & asst. secretary; Palle Christensen, Vasant Sawant, Harold Gruen, Kenneth A. Nelson, Augustus P. Schneidau, I. Gary Bard, Andrew Pungratz, vice presidents; Jay L. Landis, treasurer; Jerry Misterman, controller & asst. treasurer; Walter J. Sullivan, secretary; Geraldine A. Hennessy, asst. secretary.

Directors: Ayhan Hakimoglu, chairman; Frederick G. Allen, David N. Dry, Richard W. Gerrity, Nev A. Gokcen.

Areas of Work: Designs, manufactures and sells sophisticated microwave and data communications products. Products include microwave line-of-sight radios, troposcatter communication terminals, satellie earth station equipment, digital color and graphic display terminals; ground-based and vehicle-mounted data communication equipment, modems and multiplexers, communications systems and fusion electronics.

Divisions and Subsidiaries:

Aydin Controls Division
414 Commerce Drive
Fort Washinton, Pennsylvania 19034
(215) 542-7800

Color grahic displays.

Aydin Microwave Division
75 East Trimble Road
San Jose, California 95131
(408) 946-5600

Microwave equipment.

Aydin Energy Division
3180 Hanover Street
Palo Alto, California 94303
(415) 493-3900

Fusion and high power electronics.

Aydin Microwave Division
75 East Trimble Road
San Jose, California 95131
(408) 946-5600

Microwave radios.

Aydin Corporation

Aydin Monitor Systems Division
502 Office Center Drive
Fort Washington, Pennsylvania 19034
(215) 646-8100
Ground based data communications.

Aydin Systems Division
640 Clyde Street
Mountain View, California 94043
(415) 968-7680
Communication systems.

Aydin Vector Division
P.O. Box 328
Friends Lane
Newtown, Pennsylvania 18940
(215) 968-4271
Airborne date communications.

Aydin Raytor Division
Commerce Drive
Montgomeryville Industrial Center
Montgomeryville, Pennsylvania 18936
(215) 855-1121

Aydin Molded Devices Division
2170 Colorado Avenue
Santa Monica, California 90404
(213) 829-5327

Aydin Electro Fab
960 River Road
Croydon, Pennsylvania 19020
(215) 788-0401

Transfer Agent(s):

Girard Bank
One Girard Plaza
Philadelphia, Pennsylvania 19101

Stock Exchange(s): New York

Ticker Symbol: AYD

Number of Employees:

1980	1,600	1977	1,150
1979	1,350	1976	1,100
1978	1,100		

Plant Footage:

1980	350,000 sq. ft.	1977	350,000
1979	350,000	1976	280,000
1978	350,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$102,908,000	$ 7,319,000
1979	64,167,000	4,062,000
1978	47,443,000	2,676,000
1977	51,436,000	3,457,000
1976	42,413,000	2,557,000

	No. of Com. Shares	Earn. per. Share ‡ +
1980	3,440,256	$2.11
1979	2,264,876	1.19
1978	2,198,451	0.80
1977	1,952,618	1.10
1976	1,869,682	0.68

‡ Including extraordinary credit of $485,000 ($0.16 per share) in 1976.

+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1980 (000's)	%	1979 (000's)	%
Support components	$ 5,500	12%	$ 7,400	11%
Telecommunications	29,400	62	33,600	53
Display terminals	10,700	22	15,000	23
Fusion elec.	1,800	4	8,200	13
Total	$ 47,400	100%	$ 64,200	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 27,768,000	$8.07
1979	20,059,000	5.90
1978	15,553,000	4.71
1977	11,084,000	3.79
1976	7,428,000	2.64

+ Adjusted to reflect stock split.

Income Account *

Year Ended Dec. 31	1980	1979
Net sales	$102,908,000	$ 64,167,000
Cost of sales	75,753,000	45,599,000
Expenses	15,653,000	11,610,000
Interest income	(1,048,000)	(175,000)
Income before taxes	$ 12,550,000	$ 7,133,000
Income taxes	5,231,000	3,071,000
Net Income	$ 7,319,000	$ 4,062,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,201,000 in 180 and $747,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 8,664,000	$ 6,707,000
Receiv., net	15,125,000	16,290,000
Unbilled rev.	18,109,000	8,833,000
* Inventories	11,146,000	9,335,000
Prepaid expenses	190,000	141,000
Current Assets	$ 53,234,000	$ 41,306,000
# Fixed assets	10,062,000	6,788,000
Other assets	643,000	641,000
Total Assets	$ 63,939,000	$ 48,735,000

Liabilities

Long-term debt, curr.	$ 106,000	$ 97,000
Accts. payable	7,088,000	7,064,000
Accruals	10,117	5,050,000
Contract billings in recog. rev.	3,325,000	7,156,000
Income taxes	4,734,000	2,481,000
Curr. Liabilities	$ 25,370,000	$ 21,848,000
Long-term debt	3,592,000	2,383,000
Deferred gain	250,000	282,000
Deferred inc. taxes	6,959,000	4,163,000
+ Common stock	3,452,000	2,273,000
Add. paid-in capital	5,607,000	6,396,000
Retained earnigs	18,753,000	11,434,000
Treasury stock	(44,000)	(44,000)
Total Liabilities & Shareholders' Equity	$ 63,939,000	$ 48,735,000

* At lower of cost (FIFO, average or specific job cost) or market.

# Less accumulated depreciation.

+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.20	11.12
%Net Income to Sales	7.11	6.33
%Net Income to Equity	26.36	20.25
Sales to Inventories	9.23	6.87
Working Capital	$ 27,864,000	$ 19,458,000
Current Ratio	2.10	1.89
Shareholders' Equity	$ 27,768,000	$ 20,059,000

Badger Meter, Inc.

4545 W. Brown Deer Road
Milwaukee, Wisconsin 53223
(414) 355-0400

Officers: James O. Wright, president & chairman of the board; R. Robert Howard, v.p.-finance, treasurer & secretary; C. Edward Elkins, v.p. & asst. secretary; James L. Forbes, v.p.; William C. Howlands, v.p.-int'l.; William J. Shimmers, controller & asst. treasurer; W.H. Vander Heyden, William F. Dallmann, asst. secretaries.

Directors: James O. Wright, Robert M. Hoffer, Warren B. Riley, Everett G. Smith, Edwin P. Wiley, Donald H. Windfelder, James O. Wright, Jr.

Areas of Work: Engaged in the production and sale of water meters for homes, industry and business establishments; large flow meters used in wastewater disposal systems, irrigation projects and water purification plants as well as meters and valves for the chemical, food processing and power industries. Electronics products consist of remote test equipment for telephone utilities, control systems for microwave networks and instruments for meter systems.

Divisions and Subsidiaries:

Electronics Division
Richmond, California

Precision Products Division
Tulsa, Oklahoma

Industrial Products Division
Milwaukee, Wisconson

Flow Products Division
Milwaukee, Wisconsin

Badger Meter de Mexico, S.A. de C.V.
Nogales, Sonora, Mexico

Badger Meter Europe, GmbH
Stuttgart, Germany

Medidores Azteca, S.A.
Mexico City, Mexico

Transfer Agent(s):

M&I Marshall & Ilsley Bank
Milwaukee, Wisconsin

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: BMI

Number of Employees:

1980	1,312	1977	1,297
1979	1,218	1976	1,273
1978	1,328		

Plant Footage:

1980	361,000 sq. ft.	1977	195,000
1979	361,000	1976	192,000
1978	353,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 58,069,000	$ 1,012,000
1979	58,629,000	2,934,000
1978	57,313,548	3,256,304
1977	54,065,647	2,931,960
1976	46,553,853	1,767,699

	No. of Com. Shares	Earn. per Share ‡
1980	1,413,444	$0.72
1979	1,410,944	2.08
1978	1,410,944	2.31
1977	1,410,735	2.08
1976	1,410,735	1.25

‡ Including extraodinary credit of $320,000 ($0.23 per share) in 1978.

Revenues By Line of Business

	1980	1979
Liquid meters accessories valves	$ 48,880,000	$ 50,520,000
Electronic devices	9,189,000	8,109,000
Total	$ 58,069,000	$ 58,629,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.80	—	—
1979	0.75	—	—
1978	0.65	—	—
1977	0.55	—	—
1976	0.50	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 21,943,026	$15.52
1979	22,034,171	15.62
1978	20,158,217	14.29
1977	17,816,679	12.63
1976	15,660,626	11.10

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 58,068,906	$ 58,629,182
Cost of sales	39,911,319	38,527,538
Expenses	14,912,546	13,280,695
Interest expense	1,535,893	1,195,696
Other charges	94,874	337,088
Income before taxes	$ 1,614,274	$ 5,288,165
Income taxes	602,000	2,354,000
Net Income	$ 1,012,274	$ 2,934,165

*Included in costs and Expenses, Depreciation: $1,871,331 in 1980 and $1,763,264 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 1,567,138	$ 742,247
Receiv. net	9,332,893	9,190,158
*Inventories	18,761,340	16,741,307
Prepaid expenses	569,270	494,780
Current Assets	$ 30,230,641	$ 27,168,492
# Fixed assets	13,257,157	12,651,554
Unexpended cap. escrow funds	913,721	—
Defer. charges & other assets	493,698	482,398
Intangibles	413,675	484,313
Total Assets	$ 45,308,892	$ 40,786,757

Liabilities

	1980	1979
Notes payable	$ 5,827,760	$ 3,265,820
Long-term debt, curr.	1,608,332	1,333,912
Accts. payable	2,713,491	1,832,596
Accrued pension	1,233,673	1,181,826
Accrued payroll	2,054,674	1,903,769
Income taxes	83,471	279,235
Other taxes	270,784	244,437
Curr. Liabilities	$ 13,792,185	$ 10,041,595
Long-term debt	8,493,681	7,668,991
Deferred inc. taxes	1,080,000	1,042,000
+ Common stock	1,413,444	1,410,944
Add. paid-in capital	1,530,334	1,506,397
Retained earnings	18,999,248	19,116,830
Total Liabilities & Shareholders' Equity	$ 45,308,892	$ 40,786,757

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.78	9.02
%Net Income to Sales	1.74	5.00
%Net Income to Equity	4.61	13.32
Sales to Inventories	3.10	3.50
Working Capital	$ 16,438,456	$ 17,126,897
Current Ratio	2.19	2.71
Shareholders' Equity	$ 21,943,026	$ 22,034,171

Baird Corporation

125 Middlesex Turnpike
Bedford, Massachusetts 01730
(617) 276-6000

Officers: Walter S. Baird, chairman of the board; John M. Dempsey, Jr., president and chief executive officer; Jack M. Medzorian, vice president and treasurer; I. D'Arcy Brent II, vice president spectrochemical products; George J. Lilley, v.p.-operations; Arthur S. Turner, v.p.-nuculear products; Donald R. Walker, v.p.-govt. systems; David A. Low, vice president-industrial relations & asst. clerk; Charles C. French, director-international operations; David F. Walsh, director-communications; Francis P. Tarantino, controller; Robert A. Trevisani, clerk.

Directors: Walter S. Baird, chairman, Timothy X. Cronin, John M. Dempsey, Jr., William M. Mullahy, Jack M. Medzorian, Arthur E. Thiessen, Richrd S. Vokey.

Areas of Work: Manufactures instruments for spectrochemical analysis, nuclear equipment for medical diagnostics and and laboratory use, periscopes, and photographic printers, and conducts research and development projects for the U.S. Government.

Divisions:

Government Systems Division
Nuclear Division
Spectrochemical Equipment Division

All at:
125 Middlesex Turnpike
Bedford, Massachusetts 01730
(617) 276-6000

Baird Europe B.V.
Veenkade 26-27
The Hague, The Netherlands

Baird-Atomic, Ltd.
East Street
Braintree, Essex, England

Baird Deutschland
Freudenberg, West Germany

Labtest Equipment Company, Inc.
Los Angeles, California

Labtest Equipment (Europa) GmbH
Ratingen, West Germany

Miller-Holzwarth, Inc.
110 W. State Street
Salem, Ohio 44460
(216) 337-8736

Baird Corporation do Brazil
Industria e Commercio, Ltda.
Sao Paulo, Brazil

Transfer Agent(s):

New England Merchants National Bank
100 Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BATM (NASDAQ)

Number of Employees:

1980	711	1977	555
1979	658	1976	558
1978	634		

Plant Footage:

1980	147,000 sq. ft.	1977	147,000
1979	147,000	1976	147,000
1978	147,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 37,314,000	$ 1,400,000
1979	33,206,000	1,115,000
1978	30,839,000	915,000
1977	24,086,000	574,000
1976	22,101,000	448,000

	No. of Com. Shares +	Earn. per Share #
1980	1,382,000	$1.01
1979	1,341,000	0.81
1978	1,276,000	0.68
1977	1,239,000	0.43
1976	1,168,000	0.35

+ Adjusted to reflect stock dividends.
# Based on weighted average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	3%	—
1979	—	3%	—
1978	—	3%	—
1977	—	3%	—
1976	—	2%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 10,591,000	$7.67
1979	9,196,000	6.86
1978	7,884,000	6.18
1977	6,944,000	5.60
1976	6,198,000	5.31

‡ Adjusted to reflect stock dividends.

Income Account *

Year ended Sept. 30	1980	1979
Net Sales	$ 37,313,747	$ 33,205,625
Cost of Sales	23,715,883	20,925,205
Expenses	10,293,475	8,943,756
Depreciation	505,000	429,768
Interest expense	789,594	996,577
Income before taxes	$ 2,009,795	$ 1,910,319
Income taxes	610,000	795,300
Net Income	$ 1,399,795	$ 1,115,019

Assets

As of Sept. 30	1980	1979
Cash	$ 548,569	$ 74,017
Receiv., net	10,733,046	10,579,991
Unbilled costs	448,681	993,992
*Inventories	10,568,188	8,461,674
Prepaid expenses	421,401	283,134
Current Assets	$ 22,719,885	$ 20,392,808
# Fixed assets	4,683,504	4,176,861
Other assets	186,435	180,237
Intangibles	768,904	340,227
Total Assets	$ 28,358,728	$ 25,090,133

Liabilities

	1980	1979
Loans payable	$ 1,424,092	$ 1,567,903
Long-term debt	655,469	474,484
Accts. payable	3,262,172	2,860,586
Adv. pay.	709,906	—
Accruals	2,797,480	2,172,166
Income taxes	2,636,869	2,093,501
Curr. Liabilities	$ 11,485,988	$ 9,168,640
Deferred income	127,841	171,624

Baird Corporation

Long-term debt	4,260,961	4,719,683
Deferred inc. taxes	393,356	334,162
Long term debt	1,500,000	1,500,000
+ Common stock	1,381,544	1,341,303
Add. paid-in capital	5,491,476	5,139,565
Receiv. from officers	(166,337)	(171,753)
Retained earnings	3,883,899	2,886,909
Total Liabilities & Shareholders' Equity	$ 28,358,728	$ 25,090,133

*At lower of cost (FIFO) or market.
# Less accumulated depeciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.39	5.75
%Net Income to Sales	3.75	3.36
%Net Income to Equity	13.22	12.13
Sales to Inventories	3.53	3.92
Working Capital	$ 11,233,897	$ 11,214,168
Current Ratio	1.98	2.22
Shareholders' Equity	$ 10,590,582	$ 9,196,024

Ball Corporation

345 South High Street
Muncie, Indiana 47302
(317) 747-6100

Officers: John W. Fisher, chairman of the board; Richard M. Ringoen, president & chief executive officer; Robert H. Mohlman, sr. v.p. & chief financial officer; Donovan B. Hicks, group v.p.-technical products; John H. Snyder, group v.p.-industrial products; Duane E. Emerson, v.p.-administration; William C. Hannah, group v.p.-glass containers; Delmont A. Davis, group v.p.-metal containers; R. Donald Bell, v.p. & controller; John J. Pruis, v.p.-corp. relations; William L. Peterson, v.p.-corp. planning & development; Frank A. Bracken, v.p. & gen. mgr., Commercial Glass-Glass Container Group; Leon M. Grandcolas, v.p. & treasurer; Frank A. Aschenbrenner, v.p.-research, development & engineering; George A. Sissel, corp. secretary & general counsel; Roland P. Campbell, asst. secretary.

Directors: John W. Fisher*, R. Arthur Gaiser*, Betty M. McFadden, Robert H. Mohlman*, Alvin M. Owsley, Jr., Richard M. Ringoen*, Robert M. Spire, Delbert C. Stanley, Reed D. Voran*, Richard M. Gillett, Henry C. Goodrich, Arthur G. Hansen.

*Member of Executive Committee.

Areas of Work: The Corporation is a manufacturer in the glass, metal, plastics, electronics, aerospace, and petroleum industries, and supplies products, systems and services to the electronics, energy, food, beverage, automotive, appliance, construction, communications, and data processing industries, and to governmental agencies and universities. It also supplies food preservation products to the consumer market.

Divisions and Subsidiaries:

Technical Products Group
Boulder, Colorado

Engaged in the development and production of monitors for computer-linked datadisplays; computer products, including memory core planes and arrays, tape driveal monitoring systems; infrared technology instrumentation; aerospace subsystems and components; television camera systems and CRT data display monitors; lubrication techniques; minicomputer systems, controllers, optical mark readers and optical character readers for the original equipment market.

Manufacturing Division
Boulder, Colorado

Electronic Display Division
Blaine, Minnesota

Aerospace Division
Boulder, Colorado

Ball Computer Products, Inc
Boulder, Colorado

Western Aerospace Labs
Huntington Beach, California

Glass Container Group
Muncies, Indiana

Operations are divided between commercial glass sales, concentration on food containers, and consumer products, where the principal products are home canning jars and fittings, and home canning and freezing publications. Ball Packaging Products, Inc. develops and sells glass production equipment and licenses processes

Consumer Products Division
Commercial Division
Manufacturing Division

Industrial Products Group
Muncie, Indiana

Ball Metal & Chemical Division
Greenville, Tennessee

Makes rolled zinc and lead products, including dry-cell battery cans, strip andialized equipment for photoengraving processes.

Ball Metal Decorating & Service Division
Chicago, Illinois

Provides metal lithography, metal coatings and specialized light-gauge metal servicing and warehousing functions, including sheeting, slitting and blanking.

Ball Plastics Division
Evansvile, Indiana
Fort Smith, Arkansas
Enniskillen, Northern Ireland (Kent Plastics U.K. Ltd.)

Produces injection-molded decorative plastics, and vacuum-formed extruded and rotational cast plastic products.

Ball Unimark Plastics Division
Milroy, Pennsylvania

Precision injection molding products for the medical and electronics industries.

Metal Container Group
Westminister, Colorado

Produces drawn-and-iron, two-piece, aluminum and steel cans.

Avery-Laurence Ltd., S.A.
Singapore and Indonesia

Designs and fabricates petroleum processing equipment for international petroleum companies.

Transfer Agent(s):

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Citibank, N.A.
111 Wall Street
New York, New York 10005

Stock Exchange(s): New York, Midwest

Ticker Symbol: BLL

Number of Employees:

1980	11,000	1978	8,470
1979	8,600	1977	8,000

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 698,794	$ 24,402
1979	555,040	23,654
1978	514,908	18,648
1977	451,879	16,208
1976	397,005	13,061

	No. of Com. Shares #	Earn. per Share #
1980	5,118,143	$4.77
1979	4,976,710	4.75
1978	4,860,352	3.84
1977	4,800,691	3.38
1976	4,643,171	2.81

# Based on average number of shares outstanding.

Revenues By Line of Business

	1980 (000's)	%	1979 (000's)	%
Packaging products	$ 506,464	73%	$ 357,409	65%
Industrial products	79,773	11	101,491	18
Technical products	112,557	16	96,140	17
Total	$ 698,794	100%	$ 555,040	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.50	—	—
1979	1.30	—	—
1978	1.10	—	—
1977	0.90	—	—
1976	0.75	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$179,165,000	$34.32
1979	158,667,000	31.46
1978	138,917,000	28.28
1977	124,062,000	25.75
1976	110,736,000	23.76

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 698,794	$ 555,040
Cost of sales	579,633	445,951
Expenses	64,978	59,790
Interest expense	14,793	9,655
Income before taxes	$ 39,390	$ 39,644
Income taxes	14,988	15,990
Net Income	$ 24,402	$ 23,654

* Included in Costs and Expenses, Depreciation: $20,808,000 in 1980 and $15,113,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 6,600	$ 9,311
Accts. receiv., net	73,194	60,536
*Inventories	125,815	106,464
Prepaid expenses	3,174	2,598
Current Assets	$ 208,783	$ 178,909
#Fixed assets	209,547	173,673
Other asset	13,195	21,643
Total Assets	$ 431,525	$ 374,225

Liabilities

Short-term borrowings	$ —	$ 12,035
Long-term debt, curr.	3,281	3,276
Accts. payable	46,178	38,918
Accrued payroll	22,848	19,552
Income taxes	1,020	2,339
Other liabilities	13,853	12,042
Curr. Liabilities	$ 87,180	$ 88,162
Long-term debt	130,417	94,675
Long-term lease oblig.	11,643	12,869
Deferred comp.	5,912	5,337

Deferred inc. taxes	17,208	14,515
+ Common stock	27,076	23,855
Retained earnings	152,089	135,382
Treasury stock	—	(570)
Total Liabilities & Shareholders' Equity	$ 431,525	$ 374,225

* At lower of cost (LIFO and FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	5.64	7.14
%Net Income to Sales	3.49	4.26
%Net Income to Equity	13.62	14.91
Sales to Inventories	5.55	5.21
Working Capital	$121,603,000	$ 90,747,000
Current Ratio	2.39	2.03
Shareholders' Equity	$179,165,000	$158,667,000

Bally Manufacturing Corporation

2640 West Belmont Avenue
Chicago, Illinois 60618
(312) 267-6060

Officers: Robert E. Mullane, president and chairman of the board; Irving Rom, executive v.p.-finance; John A. Britz, executive v.p.-technology; George D. Crowley, chairman-finance and long-range planning; James M. Rochford, v.p.-governmental affairs and corp. relations; William T. O'Donnell, Jr., v.p. & president-Pinball Div.; Jerry A. Blumenshine, v.p. and corp. controller; Willis H. Brockhoff, treasurer; Glenn K. Siedenfeld, Jr., corp. secretary and general counsel.

Directors: Robert E. Mullane, chairman; Irving Rom, John A. Britz, George D. Crowley, James M. Rochford, George N. Aronoff, S.J. Begun, Alan Bible, Alfred C. Linkletter, George B. Moran, Walter Wechsler.

Areas of Work: Designs, manufactures, and distributes electronic video games, flipper type pinball games, slot machines, German wall machines, in-line pinball machines and replacement parts; using micro-processor technology. The company also operates a hotel and casino in Atlantic City, New Jersey through its 83% owned subsidiary, Bally's Park Place, Inc. Also owns and operates 221 family amusement centers.

Subsidiaries:

Advance Automatic Sales Co., Inc.
San Francisco, California

Aladdins's Castle, Inc.
Chicago, Illinois

Bally Distributing Co.
Las Vegas and Reno, Nevada

Bally's Park Place, Inc.
Atlantic City, New Jersey

Diemasters, Inc.
Elmhurst, Illinois

Empire Distributing, Inc.
Chicago, Illinois

GLAC, Inc.
Chicago, Illinois

Bally Northeast Distributing, Inc.
Dedham, Massachusetts

Lenc-Smith Manufacturing Company
Cicero, Ilinois

Midway Mfg. Co.
Franklin Park, Illinois

Bally Australia Pty., Ltd.
Sydney, Austrailia

Bally Automater A/S
Copenhagen, Denmark

Bally Continental, Ltd.
Antwerp, Belgium

Bally France, S.A.
Paris, France

Bally Japan Corporation
Tokyo, Japan

Bally Manufacturing Co.
Dublin, Ireland

Gunter Wulff-Apparetebau
Berlin, Germany

Wulff-Automaten GmbH
Hannover, West Germany

Transfer Agent(s):
American National Bank & Trust Company of Chicago
Chicago, Illinois

Stock Exchange(s): New York

Ticker Symbol: BLY

Number of Employees:
1980 9,750

Plant Footage:
1980 . . . . . . 1,488,000 sq.ft.

Sales and Earnings

	Revenues	Net Income
1980	$690,064,000	$ 53,469,000
1979	386,203,000	46,337,000
1978	315,112,000	31,828,000
1977	247,109,000	19,500,000
1976	208,533,000	12,208,000

	No. of Com. Shares †	Earn. per Share †
1980	27,132,614	$2.01
1979	26,979,347	1.73
1978	25,073,972	1.28
1977	24,106,540	0.81
1976	23,385,212	0.52

† Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Mfg. & distributing:		
Prods. manufactured by the Co.:		
Amusement games	$ 226,481	$ 188,308
Gaming machines	83,971	78,553
In-line type pinball	7,112	10,178
Replacement parts	10,220	9,108
Prod. manufactured by others	82,570	41,613
Other	18,949	18,425
Hotel & casino operations	210,121	3,523
Equip. oper. & leasing	49,783	35,703
Corporate	857	792
Total	$ 690,064	$ 386,203

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.10	—	—
1979	0.088	—	—
1978	0.05	—	—
1977	0.025	—	—
1976	0.025	—	—

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$312,052,000	$11.50
1979	258,882,000	9.60
1978	138,467,000	5.52
1977	101,231,000	4.20
1976	80,085,000	3.42

† Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net Sales	$ 419,209	$ 337,572
Other income	270,855	48,631
Total income	$ 690,064	$ 386,203
Cost of sales	435,435	231,920
Expenses	106,945	74,524
Prov. for doubtful accts.	12,492	2,090
Interest Expense	31,778	3,571
Income before taxes	$ 103,414	$ 74,098
Income taxes	49,250	25,600
Minority interest	695	2,161
Net Income	$ 53,469	$ 46,337

* Included in Costs and Expenses, Depreciation and Amortization: $35,732,000 in 1980 and $14,037,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash & cert. of deposit	$ 25,257	$ 28,970
Receiv. net	112,412	93,149
* Inventories	97,324	72,991
Other curr. assets	5,150	5,386
Current Assets	$ 240,143	$ 200,496
# Fixed assets	344,495	331,985
# Oper. & leasing equip.	15,585	10,984
Other assets	40,883	39,569
Intangibles	17,547	18,987
Total Assets	$ 658,653	$ 602,021

Liabilities
(000's)

Notes payable	$ 2,325	$ 15,273
Long-term debt, curr.	4,635	4,819
Accts. payable	32,602	30,351
Accruals	36,989	26,272
Income taxes	41,753	2,815
Curr. Liabilities	$ 118,213	$ 79,530
Long-term debt	187,539	229,751
Minority interest	15,415	14,720
Deferred inc. taxes	25,434	19,138
+ Common stock	17,008	16,937
Add. paid-in capital	90,225	88,049
Retained earnings	204,819	153,896
Total Liabilities & Shareholders' Equity	$ 658,653	$ 602,021

* At lower of cost (LIFO for the Company; FIFO for subsidiaries) or market.
# Less accumulated depreciation.
+ 0.66⅔ par value.

Statistical Summary

%Income bef. Taxes to Sales & Revenues	14.99	19.19
%Net Income to Sales & Revenues	7.75	12.00
%Net Income to Equity	17.13	17.90
Working Capital	$121,930,000	$120,966,000
Current Ratio	2.03	2.52
Shareholders' Equity	$312,052,000	$258,882,000

Barnes Engineering Company

30 Commerce Road
Stamford, Connecticut 06904
(203) 348-5381

Officers: Christopher H. Smith, president & chief exec. officer; Robert B. Barnes, Jr., v.p. & group exec.-gov't marketing & int'l operations; Arthur Rossiter, v.p. & group exec.-industrial distribution; Alexander J. Autote, v.p. & group exec.-security systems and products; Weems E. Estelle, v.p. & group exec.-systems and instruments; John F. Powers, sr. v.p.-finance & treasurer; James G. Kennedy, controller; Peter D. Lowenstein, secretary; Donald L.Conway, Elizabeth I. Simeone, asst. secretaries.

Directors: Christopher H. Smith*, Robert B. Barnes, Jr., Harry M. Day*, Joseph H. Johnson*, Alexander J. Autote, Millard H. Pryor, Jr., Richard E. Hart*, Benjamin Lax, Arthur Rossiter*, Normand J. Thompson, Weems E. Estelle, Edmund H. Damon.

* Member of Executive Committee.

Areas of Work: Designs and manufactures infrared and electro-optical components, instruments, and systems for governmental, research, scientific and industrial applications. Engaged in the wholesale industrial distribution of precision antifriction bearings and electro-mechanical power transmission supplies, conveyer belting and components. The security systems and components segment manufactures and markets fully integrated security and intrusion detection products for use in utilities, industrial and commercial facilties.

Divisions and Subsidiaries:

Systems and Instruments Group
Systems and Instruments Division
General X-Ray Corporation
30 Commerce Road
Stamford, Connecticut 06904
(203) 348-5381

Security Group
VT Technologies, Inc.
Barnes Security Products
Nuclear Security Forces, Inc.
30 Commerce Road
Stamford, Connecticut 06904
(203) 327-4343

ICI Systems Ltd.
43B Inverness Drive E.
Englewood, Colorado 80112
(303) 779-8528

Industrial Distribution Group
Advance Bearing & Supply Co., Inc.
2 Pullman Street
Worcester, Massachusetts 01606
(617) 852-1050

CGL Supply Company, Inc.
812 Buffalo Road
Erie, Pennsylvania 16512
(814) 454-4528

J.A. Webb Incorporated
92 Pearl Street
Buffalo, New York 14202
(716) 852-6062

Philadelphia Ball & Roller
Bearing Co.
400 N. Sixth Street
Philadelphia, Pennsylvania 19123
(215) 574-0900

Transfer Agent(s):

Morgan Guaranty Trust Company
30 West Broadway
New York, New York 10015

Stock Exchange(s): American

Ticker Symbol: BIR

Number of Employees:

1980	715	1977	270
1979	403	1976	333
1978	374		

Plant Footage:

1980	153,000 sq. ft.	1977	153,000
1979	153,000	1976	153,000
1978	153,000		

Sales and Earnings †

	Net Sales	Net Income #
1980	$ 44,062,000	$ 1,259,000
1979	26,842,000	840,000
1978	16,144,000	408,000
1977	12,162,000	154,000
1976	11,516,000	(1,258,000)

	No. of Com. Shares	Earn. per Share ‡ #
1980	1,350,197	$0.98
1979	1,223,203	0.89
1978	737,344	0.51
1977	720,844	0.21
1976	600,844	—

(Loss)
† Restated to reflect merger on a pooling of interests basis.
‡ Based on the average number of shares outstanding.
# Including extraordinary gains of $280,000 ($0.22 per share) in 1980, $359,000 ($0.38 per share) in 1979, $145,000 ($0.18 per share) in 1978, and $83,000 ($0.11 per share) in 1977.

Revenues By Line of Business

	1980	1979
Systems & instruments group:	$ 6,313,000	$ 4,754,000
Aerospace application	7,873,000	6,506,000
Research & industrial application	25,210,000	11,199,000
Industrial distribution group		
Security group	4,666,000	4,383,000
Total	$ 44,062,000	$ 26,842,000

Common Stock Equity ‡

	Total Equity	Equity Per Share
1979	$ 7,232,000	$5.36
1978	5,105,000	4.17

‡ Restated to reflect merger on a pooling of interests basis.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 44,062,000	$ 26,842,000
Cost of sales	29,954,000	18,803,000
Expenses	11,207,000	6,942,000
Interest expense	1,141,000	245,000
Income before taxes	$ 1,760,000	$ 852,000
Income taxes	781,000	371,000
Net Income	$ 979,000	$ 481,000
Extraordinary gain	280,000	359,000
Net Income and extraord. gain	$ 1,259,000	$ 840,000

*Included in Costs and Expenses, Depreciation and Amortization; $491,000 in 1980 and $324,000 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 440,000	$ 595,000
Receiv., net	9,955,000	6,654,000
*Inventories	12,126,000	5,615,000
Other curr. assets	361,000	155,000
Current Assets	$ 22,882,000	$ 13,019,000
# Fixed assets	2,648,000	1,699,000
Other assets	1,037,000	725,000
Total Assets	$ 26,567,000	$ 15,443,000

Liabilities

Notes payable	$ 1,138,000	$ 802,000
Accts. payable	5,670,000	4,023,000
Other current liabilities	2,332,000	1,752,000
Curr. Liabilities	$ 9,140,000	$ 6,377,000
Long-term debt	7,213,000	1,427,000
Deferred income	1,152,000	1,800,000
Cap. lease oblig.	621,000	433,000
Def. inc. taxes & other liab.	1,209,000	101,000
+ + Common stock	1,350,000	1,223,000
Add. paid-in capital	5,537,000	5,084,000
Retained earnings	1,497,000	238,000
Prepaid contribution to ESOT	(1,152,000)	(1,440,000)
Total Liabilities & Shareholders' Equity	$ 26,567,000	$ 15,443,000

*At lower of cost (FIFO) or realizable value.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.99	3.17
%Net Income to Sales	2.22	1.79
%Net Income to Equity	13.54	9.42
Sales to Inventories	3.63	4.78
Working Capital	$ 13,742,000	$ 6,442,000
Current Ratio	2.50	1.98
Shareholders' Equity	$ 7,232,000	$ 5,105,000

Barry Wright Corporation

680 Pleasant Street
Watertown, Massachusetts 02172
(617) 926-9600

Officers: Ervin Pietz, chairman of the board, president & chief executive officer; Edward A. Johnson, vice chairman, sr. vice president & secretary; P. Norman Roy, exec. v.p.-finance & administration; Charles H. Sellman, v.p. & controller; Milton E. Gilbert, v.p., corp. counsel & asst. secretary; E. William Housh, v.p. & pres.-Wright Line Inc.; John F. Quinn, v.p. & pres.-Industrial & Aero Products Group; Gordon T. Miller, v.p. & dir.-industrial relations; David M. Wright, v.p.; Galen R. LaRose, treasurer & asst. secretary; William H. Gorham, clerk.

Directors: Ervin Pietz*, chairman; George P. Gardner, Jr., Ralph Z. Sorenson, G. Richard Westin, Edward A. Johnson*, Jerome Ottmar, Philip A. Singleton, Donald J. Evans*, P. Norman Roy*.

*Member of Executive Committee.

Divisions and Subsidiaries:

Industrial & Aero Products Group

Barry Controls Division
Watertown & Woburn, Massachusetts
Burbank, California

Design, manufacture and marketing of engineered products to control the effectsof dynamic forces and motions, including vibration, impact shock and noise.

Vlier Engineering Division
Burbank, California

Design, manufacture and marketing of products for holding, positioning and locating parts during manufacture and for reducing "in plant" noise and vibration.

Zero-Max Industries, Inc.
Zero-Max Division
Parametrics Division
Madison, Connecticut
Orange, Connecticut

Designs, manufactures, and markets specialty power transmission products, primarily mechanical variable speed drives and accessories.

Barry Controls GmbH (49% owned)
Raunheim, Germany
Sales and marketing distribution in Western Europe.

Miki Zero-Max Ltd.
Kawasaki-City, Japan
Sales and marketing distribution in Japan.

Wright Line Inc.

Wright Line Division
Worcester, Massachusetts
High Point, North Carolina
Design, manufacture and marketing of accessory products that serve end users ofinformation processing systems, especially electronic data processing systems,and users of computer printout, systems documentation and microforms.

VISIrecord Systems Division
Worcester, Massachusetts
South Norwalk, Connecticut
Brisbane, California
Design, manufacture and marketing of systems, equipment and related supplies for visual control and quick reference or retrieval of non-automated business records serving medical, manufacturing, service and distribution businesses and public and private institutions.

Wright Line of Canada Ltd.
Toronto, Canada

Wright Line GmbH
Frankfurt, Germany

Acquisition(s):

Miki Zero-Max Ltd. (50% owned)
Acquired June, 1979. Designs, manufactures, and markets specialty power transmission products, primarily mechanical variable speed drives and accessories.

Transfer Agent(s):
Citibank, N.A.
111 Wall Street
New York, New York 10043

Stock Exchange(s): New York

Ticker Symbol: BAR

Number of Employees:

1980	1,859	1977	1,406
1979	1,859	1976	1,239
1978	1,616		

Sales and Earnings

	Net Sales	Net Income
1980	$ 124,489,000	$ 10,007,000
1979	98,854,000	7,684,000
1978	79,529,000	5,574,000
1977	64,706,000	3,682,000
1976	52,721,000	2,448,000

	No. of Com. Shares #	Earn. per Share #
1980	7,588,292	$1.32
1979	7,533,270	1.02
1978	7,538,234	0.74
1977	7,440,000	0.49
1976	7,448,000	0.33

# Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.29	—	2-for-1
1979	0.24	—	—
1978	0.18	—	2-for-1
1977	0.13	—	—
1976	0.11	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 43,184,632	$5.69
1979	35,047,256	4.65
1978	29,382,868	3.90
1977	24,702,307	3.32
1976	22,092,000	2.97

† Based on the weighted average number of common shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 124,489,303	$ 98,854,415
Other income	809,393	798,809
Total income	$ 125,298,696	$ 99,653,224
Cost of sales	67,331,421	52,035,173
Expenses	39,073,079	32,549,895
Interest expense	325,151	268,937
Income before taxes	$ 18,569,045	$ 14,799,219
Income taxes	8,562,000	7,115,000
Net Income	$ 10,007,045	$ 7,684,219

* Included in Costs and Expenses: Depreciation and Amortization: $1,991,155 in 1980 and $1,645,871 in 1979.

Assets

As of Dec. 31	1980	1979
Cash & short-term invest	$ 1,796,601	$ 2,347,212
Accts. receiv.,net	20,167,599	15,907,644
*Inventories	18,314,033	15,328,977
Prepaid expense	657,024	610,587
Current Assets	$ 40,935,257	$ 34,194,420
Investments	856,442	499,817
#Fixed assets	23,373,681	15,674,002
Rental equipment	1,308,785	1,017,243
Intangibles	630,173	697,176
Total Assets	$ 67,104,338	$ 52,082,658

Liabilities

Notes payable	$ 117,153	$ 100,000
Long-term debt, curr.	195,522	401,784
Accts. payable	6,697,186	6,502,883
Accruals	6,723,486	5,265,646
Income taxes	2,139,069	2,575,918
Curr. Liabilities	$ 15,872,416	$ 14,846,231
Long-term debt	6,482,477	977,997
Deferred compensation	1,169,813	1,101,348
Deferred inc. taxes	395,000	109,826
+ Common stock	7,980,864	3,990,432
Add. paid-in capital	844,450	595,399
Retained earnings	35,059,424	31,246,318
Treasury stock	(700,106)	(784,893)
Total Liabilities & Shareholders' Equity	$ 67,104,338	$ 52,082,658

* At lower of cost or market. Domestic inventories at LIFO; foreign at FIFO or average.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	14.92	14.97
%Net Income to Sales	8.04	7.77
%Net Income to Equity	23.17	21.93
Sales to Inventories	6.80	6.45
Working Capital	$ 25,062,841	$ 19,348,189
Current Ratio	2.58	2.30
Shareholders' Equity	$ 43,184,632	$ 35,047,256

Base Ten Systems, Inc.

One Electronics Drive
P.O. Box 3151
Trenton, New Jersey 08619
(609) 586-7010

Officers: Myles M. Kranzler, president; William M. Errickson, corp. v.p. & secretary; James A. Eby, v.p.-engineering; Edward J. Klinsport, treasurer.

Directors: Myles M. Kranzler, chairman; James A. Eby, William M. Errickson, Robert G. Kales, Jr., Mildred Kranzler.

Areas of Work: Designs and manufactures electronic data systems used in the testing, research and development of new aircraft, missiles and satellites. Other applications include avionic controls and micro processor systems, alarm reporting systems.

Divisions:

Rem Machine Division
One Electronics Drive
P.O. Box 3151
Trenton, New Jesey 08619
(609) 586-2820

Subsidiaries:

Base Ten Export Sales, Inc.
One Electronics Drive
Trenton, New Jersey 08619

Base Ten Systems
Electronics GmbH
Berg-am-laim Str. 47
8000 Munich # 80, Federal Republic of Germany

Base Ten Systems, Ltd.
12 Eelmoor Road
Farnborough
Hampshire GU147QN
United Kingdom

Transfer Agent(s):
Morgan Guaranty Trust Co.
30 West Broadway
New York, New York 10015

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	300	1977	174
1979	250	1976	125
1978	200		

Plant Footage:

1980	35,000 sq. ft.	1977	20,000
1979	25,000	1976	15,000
1978	25,000		

Sales and Earnings

	Net Sales	Net Income +
1980	$ 11,202,000	$ 1,011,000
1979	8,089,000	490,000
1978*	4,621,700	315,500
1977	3,943,316	252,330
1976	2,929,710	235,474

	No. of Com. Shares #	Earn. per Share# +
1980	992,607	$1.02
1979	992,607	0.49
1978	991,017	0.32
1977	998,958	0.25
1976	999,357	0.24

* 10 months.
# Based on the weighted average number of shares outstanding adjusted to reflect stock dividend and stock split.
+ Including extraordinary gains of $22,000 ($0.02 per share) in 1977 and $75,000 ($0.08 per share) in 1976.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.05	10%	3-for-1
1979	0.05	—	—

+ Adjusted to reflect stock dividends and stock split.

Base Ten Systems, Inc.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 2,901,000	$2.92
1979	1,940,000	1.95
1978	1,495,000	1.51
1977	1,178,283	1.18
1976	931,935	0.93

+ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend and stock split.

Income Account *

Year ended Oct. 31	1980	1979
Revenues	$ 11,202,000	$ 8,089,000
Cost of sales	7,109,000	5,573,000
Expenses	2,421,000	1,712,000
Interest	117,000	67,000
Income before taxes	$ 1,555,000	$ 737,000
Income taxes	544,000	247,000
Net Income	$ 1,011,000	$ 490,000

* Included in Costs and Expenses, Depreciation and Amortization: $265,000 in 1980 and $196,000 in 1979.

Assets

As of Oct. 31	1980	1979
Cash	$ 1,136,000	$ 392,000
Accts. receiv., net	3,968,000	2,570,000
*Inventories	1,571,000	879,000
Other curr. assets	59,000	39,000
Current Assets	$ 6,734,000	$ 3,880,000
# Fixed assets	2,595,000	765,000
Other assets	32,000	23,000
Total Assets	$ 9,361,000	$ 4,668,000

Liabilities

	1980	1979
Notes payable	$ 177,000	$ —
Long-term debt, curr.	233,000	90,000
Accts. payable & accruals	1,749,000	822,000
Cust. advances	1,710,000	1,120,000
Income taxes	642,000	387,000
Curr. Liabilities	$ 4,511,000	$ 2,419,000
Deferred inc. taxes	164,000	102,000
Long-term debt	1,785,000	207,000
+ Common stock	993,000	154,000
Add. paid-in capital	318,000	833,000
Retained earnings	1,590,000	975,000
Treasury stock	—	(22,000)
Total Liabilities & Shareholders' Equity	$ 9,361,000	$ 4,668,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	13.88	9.11
%Net Income to Sales	9.03	6.06
%Net Income to Equity	34.85	25.26
Working Capital	$ 2,223,000	$ 1,461,000
Current Ratio	1.49	1.60
Shareholders' Equity	$ 2,901,000	$ 1,940,000

Bastian Industries

2405 South 20th Street
Phoenix, Arizona 85034

Officers: Bernard M. Goldsmith, chairman; Daniel J. Sullivan, president & chief executive officer; Rocco R. Del Presto, group executive v.p.; James L. Knopf, sr. v.p.-marketing, asst. to president; Samuel Ofrichter, sr. v.p.-finance, secretary & treasurer; Benson A. Selzer, sr. v.p.; Robert W. Ostrow, v.p.-corporate development & administration.

Directors: Bernard M. Goldsmith*, chairman; Daniel J. Sullivan, Andrew N. Heine, Edwin C. Nevis, Samuel Ofrichter, Benson A. Selzer.*

*Member of the Executive Committee

Areas of Work: Manufactures ultra-high reliability inductors, capacitors and resistors for use in the computer and defense industries. Produces modems and acoustic couplers, sheet metal and aluminum products for computers and business machines, and high-precision metal components for the computer and aerospace industries. Other areas include: hydraulic hoses, stainless steel equipment for restaurant use and restaurant decor systems.

Divisions and Subsidiaries:

Nytronics Components Group, Inc.
Orange Street
Darling, South Carolina 29532
(803) 393-5421

Suckle Corporation
Suckle and National Highways
Pennsauken, New Jersey 08110
(609) 665-9100

733 Davis Street
Scranton, Pennsylvania 18501
(717) 346-3871

T.M.I.
2335 Alaska Avenue
El Segundo, California 90245
(213) 772-6363

Bastian Blessing
Grand Haven, Michigan

NRP Hose Products Division
Midway Supply Division
Davmor Product Systems, Inc.

Acquisition(s):

Foodservice Equipment Division of McGraw-Edison
Manufactures electric cooking, refrigeration, conveying, sanitation and service

Transfer Agent(s):

American Transfer Company
44 Beaver Street
New York, New York 10004

Nytronics, Inc.
2335 Alaska Avenue
El Segundo, California 90245

Stock Exchange(s): Pacific, Over-the-Counter

Ticker Symbol: BSI (Pacific), BSIN (NASDAQ)

Sales and Earnings

	Net Sales	Net Income ‡
1980	$151,545,000	$ 3,961,000
1979	114,871,000	5,467,000
1978	89,894,000	4,250,000
1977	74,499,000	1,879,000
1976	37,437,000	(989,000)

	No. of Com. Shares †	Earn. per Share † ‡
1980	2,208,718	$1.50
1979	2,074,529	2.19
1978	1,913,871	1.84
1977	1,764,137	0.84
1976	1,570,571	—

(Loss)

‡ Including extraordinary gains of $2,523,000 ($1.22 per share) in 1979, $2,239,000 ($1.17 per share) in 1978, $950,000 ($0.54 per share) in 1977 and extraordinary loss of $76,000 ($0.05 per share) in 1976.

† Based on the weighted average number of common shares and common share equivalents outstanding except in 1977 and 1976 where common share equivalents are excluded.

Revenues By Line of Business
(000's)

	1980	1979
Components group:		
Electronic components	$ 8,621	$ 7,634
Metal components	21,100	21,038
Communications components	2,142	1,679
Food serv. equip.	76,162	43,827
Energy prods. group:		
Oil fields supply	30,044	27,518
Industrial rubber hose	13,476	13,175
Total	$ 151,545	$ 114,871

Common Stock Equity

	Total Equity ‡	Equity Per Share†
1980	$ 16,345,000	$7.40
1979	11,915,000	5.74
1978	5,984,000	3.13

‡ After allowing for preferred stock at par value.
† Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended July 31	1980	1979
Net sales	$ 151,545	$ 114,871
Cost of sales	115,453	86,860
Expenses	22,822	17,539
Interest expense	5,122	3,709
Amortization	756	706
Income before taxes	$ 7,392	$ 6,057
Income taxes	3,431	3,113
Net Income	$ 3,961	$ 2,944
Extraord. gain	—	2,523
Net Income & extraord. gain	$ 3,961	$ 5,467

* Included in Costs and Expenses, Depreciation: $2,201,000 in 1980 and $1,823,000 in 1979.

Assets
(000's)

As of July 31	1980	1979
Cash	$ 3,039	$ 2,495
Accts. receiv., net	20,843	20,082
* Inventories	18,127	19,229
Other curr. assets	1,084	1,753
Current Assets	$ 43,093	$ 43,559
# Fixed assets	16,168	15,949
Other assets	4,376	4,741
Intangibles	15,525	15,970
Total Assets	$ 79,162	$ 80,219

Liabilities
(000's)

	1980	1979
Notes payable	$ 4,917	$ 11,683
Long-term debt, curr.	791	1,249
Accts. payable	12,584	13,674
Accruals	7,181	6,943
Curr. Liabilities	$ 25,473	$ 33,549
Long-term debt	18,932	18,232
Convert. debentures	10,497	10,620
Reserves & other liab.	7,370	5,358
+ Preferred stock	545	545
+ + Common stock	22	18
Add. paid-in capital	16,323	54,953
Accumulated deficit	—	(42,990)
Receiv. in conn. with cap. contr.	—	(66)
Total Liabilities & Shareholders' Equity	$ 79,162	$ 80,219

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.
+ + $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.88	5.27
%Net Income to Sales	2.61	2.56
%Net Income to Equity	23.45	23.63
Sales to Inventories	8.36	5.97
Working Capital	$ 17,620,000	$ 10,010,000
Current Ratio	1.69	1.30
Shareholders' Equity	$ 16,890,000	$ 12,460,000

Bausch & Lomb Incorporated

One Lincoln First Square
Rochester, New York 14601
(716) 338-6000

Officers: Daniel G. Schuman, chairman of the board & chief executive officer; Daniel E. Gill, president & chief operating officer; James Ruff, grop v.p.-opthalmic & consumer products; Robert J. Sparling v.p.-scientific instrument development; Myron G. Stolp, v.p.-Bushnell Optical Division; Don B. Allen, v.p.-general counsel & secretary; Phillips W. Smith, v.p.-Applied Research Laboratories Div.; Charles P. Woods, v.p.-human resources; Lorin B. Ellison, v.p.-finance; W. Robert Melville, v.p.-manufacturing services; Seymour L. Merrall, v.p.-adm. services; Eugene D. Scalera, v.p.-Scientific Optical Products Division; Anthony J. LaPaglia, v.p.-Analytical Systems Division; George H. More, v.p.-Houston Instrument Division; Stanley W. Merrell, v.p.-corporate development; W. Henry Aughey, III, treasurer.

Directors: Arthur J. O'Brien, Daniel G. Schuman*, W. Allen Wallis*, E. Kent Damon*, O. Cedric Rowntree*, Charles Rob, Alexander D. Hargrave*, Daniel E. Gill, Moshe J. Lubin, John R. Purcell.

*Member of Executive Committee.

Areas of Work: In the opthalmic area, produces lenses, eye glass frames and Softlens contact lenses, diagnostic and refracting instruments and furniture for professionals, and safety products such as eye glasses and respirators. Consumer products include sun glasses, fashion eyewear, contact lenses, telescopes, binoculars, camera lenses, rifle sights, readers and magnifiers. Scientic instruments and components and optical products for industry and the educational, medical and research fields include microscopes and accessories metallographs, spectrochemical analytical systems, spectrophotometers, diffraction gratings, electronic recoders, digital plotting systems, high precision measuring systems, photogrammetric equipment, microprojectors and optical glass.

Divisions and Subsidiaries:

Analytical Systems Division
820 Linden Avenue
Rochester, New York 14625
(716) 385-1000

Ophthalmic Lens Division
1400 N. Goodman Street
Rochester, New York 14602
(716) 338-6000

Ophthalmic Laboratories Division
1400 N. Goodman Street
Rochester, New York 14602
(716) 338-6000

Consumer Products Division
1400 N. Goodman Street
Rochester, New York 14602
(716) 338-6000

Scientific Optical Products Division
1400 N. Goodman Street
Rochester, New York 14602
(716) 338-6000

Softlens Division
1400 N. Goodman Street
Rochester, New York 14602
(716) 338-6000

Bausch & Lomb Insurance Company
1400 N. Goodman Street
Rochester, New York 14602
(716) 338-6000

Bausch & Lomb Opticare, Inc.
Rochester, New York

Bushnell Optical Company
Bushnell Building
2828 E. Foothill Boulevard
Pasadena, California 91107
(213) 577-1500

Houston Instrument Division
8500 Cameron Road
Austin, Texas 78753
(512) 837-2820

Applied Research Laboratories
Los Angeles, California

Analytical Systems Division
R.D. #2 Girts Road
Jamestown, New York 14701
(716) 488-1958

Bausch & Lomb Incorporated
Juncos, Puerto Rico

Bausch & Lomb Puerto Rico Inc.
San Juan, Puerto Rico

Bausch & Lomb Canada Ltd.
P.O. Box 4008, Terminal-A
Toronto, M5W IJ4, Canada
(416) 449-2252

Applied Research Laboratories Ltd.
Lutton, England

Bausch & Lomb U.K. Ltd.
London, England

Applied Research Laboratories, S.A
Les Mesnil Saint-Denis, France

Bausch & Lomb-Lamard S.A.
Trappes, France

Bausch & Lomb G.m.b.H.
Vienna, Austria

Bausch & Lomb Belgium N.V.
Gistel, Belgium

Bausch & Lomb France S.A.
Versailles, France

Bausch & Lomb Hong Kong Ltd.
Hong Kong

Bausch & Lomb Italiana, S.p.A.
Rome, Italy

B.L.J. Company Limited
Tokyo, Japan

B.L. de Mexico S.A. de C.V.
Mexico City, Mexico

A.R.L. Netherlands B.V.
Amsterdam, Netherlands

Bausch & Lomb
Madrid, Spain

Bausch & Lomb A.G.
Zurich, Switzerland

Bausch & Lomb B.V.
Amsterdam, Netherlands

Bausch & Lomb Norway A/S
Oslo, Norway

Bausch & Lomb G.m.b.H.
Hamburg, Germany

Applied Research Laboratories
Dusseldorf, Germany

Bausch & Lomb Philippines Inc.
Manila, Philippines

Bausch & Lomb A.B.
Stockholm, Sweden

Bausch & Lomb-Frame Division
Eutingen, West Germany

AR Instruments Cientificos do
Brasil Limitada
Sao Paulo, Brazil

Bausch & Lomb Argentina S.A.
Buenos Aires, Argentina

Applied Research Laboratories S.A.
Lausanne, Switzerland

Applied Research Laboratories G.m.b.H.
Dusseldorf, Germany

Applied Research Laboratories Nodiska A.B.
Stockholm, Sweden

Bausch & Lomb (Australia)
Pty. Limited
Sydney, Australia

Bushnell Optical of Canada, Ltd.
Vancouver, British Columbia

Precision Instruments Company Ltd.
Hong Kong

ARLabs Pty. Ltd.
Johannesburg, Republic of South Africa

Standard Optical Co. Pty. Ltd.
Johannesburg, Republic of South Africa

OY Bausch & Lomb Finland A.B.
Helsinki, Finland

Applied Research Laboratories G.m.b.H.
Vienna, Austria

Transfer Agent(s):

Morgan Guaranty Trust Company
23 Wall Street
New York, New York 10015

Lincoln First Bank, N.A.
One Lincoln First Square
Rochester, New York 14643

Stock Exchange(s): New York

Ticker Symbol: BOL

Number of Employees:

1980	11,800	1977	10,800
1979	11,400	1976	11,500
1978	10,900		

Plant Footage:

1978	2,900,000 sq.ft.

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 582,681,000	$ 52,333,000
1979	503,031,000	41,228,000
1978*	441,684,000	29,848,000
1977	377,893,000	25,031,000
1976	349,055,000	20,770,000

	No. of Com. Shares #	Earn. per Share ‡ #
1980	11,995,601	$4.36
1979	11,797,360	3.49
1978	11,675,450	2.54
1977	11,599,160	2.14
1976	11,539,900	1.28

* 53 weeks.
‡ Including extraordinary loss of $5,750,000 ($1.00 per share) in 1976.
# Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Bausch & Lomb Incorporated

Revenues By Line of Business

	1980	1979
Vision care	$ 408,045,000	$ 356,939,000
Instruments	174,636,000	146,092,000
Total	$ 582,681,000	$ 503,031,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$1.21	—	—
1979	0.93	—	2-for-1
1978	0.74	—	—
1977	0.55	—	—
1976	0.40	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1980	$ 245,274,000	$20.44
1979	203,975,000	17.37
1978	169,643,000	14.60
1977	147,811,000	12.79
1976	128,607,000	11.18

‡ After allowing for preferred stock at par value.
† Adjusted to reflect stock split.

Income Account *

Year ended	12/28/80	12/30/79
Net sales	$ 582,681,000	$ 503,031,000
Cost of sales	269,503,000	234,825,000
Expenses	187,424,000	158,328,000
Res. & develop.	16,699,000	13,246,000
Depreciation	10,723,000	9,437,000
Interest expense	8,339,000	7,963,000
Gain on sale of invest.	(2,780,000)	—
Income before taxes	$ 92,773,000	$ 79,232,000
Income taxes	33,640,000	38,004,000
Consolidation costs-mfg. oper.	6,800,000	—
Net Income	$ 52,333,000	$ 41,228,000

Assets

As of	12/28/80	12/30/79
Cash	$ 5,501,000	$ 4,083,000
Marketable securities	12,098,000	12,965,000
Receiv., net	125,155,000	111,609,000
*Inventories	167,477,000	130,856,000
Prepaid expenses	9,878,000	6,725,000
Current Assets	$ 320,109,000	$ 266,238,000
# Fixed assets	80,462,000	67,297,000
Other assets	12,821,000	11,193,000
Total Assets	$ 413,392,000	$ 344,728,000

Liabilities

Notes payable	$ 49,065,000	$ 17,046,000
Long-term debt, curr.	3,284,000	4,588,000
Accts. payable	26,482,000	26,235,000
Accruals	42,734,000	35,053,000
Dividends payable	3,808,000	2,952,000
Income taxes	3,001,000	10,159,000
Curr. Liabilities	$ 128,374,000	$ 96,033,000
Long-term debt	34,035,000	39,579,000
Deferred inc. taxes	4,158,000	3,590,000
+ Preferred stock	1,551,000	1,551,000
+ + Common Stock	14,333,000	14,333,000
+ + + Class B stock	59,000	59,000
Add. paid-in capital	33,856,000	30,520,000
Retained earnings	197,026,000	159,063,000
Total Liabilities & Shareholders' Equity	$ 413,392,000	$ 344,728,000

* At lower of cost (domestic inventories at LIFO; all others at FIFO) or market.
# Less accumulated depreciation.
+ $100 par value: 4% cumulative.
+ + $1 par value.
+ + + $0.20 par value.

Statistical Summary

%Income before Taxes to Sales	15.92	15.75
%Net Income to Sales	8.98	8.20
%Net Income to Equity	21.20	20.06
Sales to Inventories	3.48	3.84
Working Capital	$191,735,000	$ 170,205,000
Current Ratio	2.49	2.77
Shareholders' Equity	$246,825,000	$ 205,526,000

Beckman Instruments, Inc.

2500 Harbor Boulevard, Box 3100
Fullerton, California 92634
(714) 871-4848

Officers: Arnold O. Beckman, chairman of the board; William F. Ballhaus, president; G. Howard Teeter, executive v.p.; Louis T. Rosso, sr. v.p.-mgr., Analytical Instruments Group; Joseph Ashley, v.p.-mgr., Clinical Instruments Division; Robert J. Baumann, v.p.-new business development; Edward B. Bell, v.p.-Offsite Mfg. Facilities; Roy F. Brown, v.p.-mgr., Process Instruments & Controls Group; Leslie W. Chapin, v.p.-mgr., Electro-Products Group; Leo C. Cunniff, v.p.-mgr., Cedar Grove Operations; Jack Hart, v.p.-employee relations; Gerald T. Keahl, v.p.-mgr., Scientific Instrument Division; Robert A. Lineberger, v.p.-finance; Frank A.Meze, v.p.-mgr., Spinco Division; Richard A. Nesbit, v.p.-research & development; William G. Newton, v.p.-mgr., facilities & manufacturing services; Harold J. Peper, v.p.-mgr., Analytical Instruments Sales & Service Division; James E. Shelton, Jr., v.p. & controller; Robert J. Steinmeyer, v.p.-legal; Donald A. Strauss, v.p.-admn.; Thomas E. Waller, v.p.-dir., Int'l Operations, Analytical Instruments Group; George E. Walters, v.p.-mgr., Central Fabrication; Perry R. McCarty, secretary-treasurer.

Directors: Arnold O. Beckman, chairman of the board; William F. Ballhaus, E.H. Clark, Jr., William R. Gould, R.J. Munzer, H. Russell Smith, Lowell Stanley.

Areas of Work: Manufactures laboratory analytical instruments and related chemical products and industrial instruments, systems and precision components. Company's products are used in medicine and science and in industrial and environmental applications.

Divisions:

Advanced Electro-Products Division
Fullerton, California

Analytical Instruments Sales & Service Division
Fullerton, California

Asia/Pacific Analytical Sales Operations
Fullerton, California

Automotive Test Instruments Operations
Fullerton, California

Bioproducts Operations
Palo Alto, California

Cardiopulmonary Instruments Department
Anaheim, California

Cedar Grove Operations
Cedar Grove, New Jersey

Clinical Instruments Division
Brea, California

Display Systems Division
Scottsdale, Arizona

Electronic Instruments Division
Schiller Park, Illinois

Electro-Products Sales Operations
Fullerton, California

Helipot Division
Fullerton, California

Process Instruments Division
Fullerton, California

Scientific Instruments Division
Irvine, California

Spinco Division
Palo Alto, California

Microbics Operations
Carlsbad, California

Process Control Department
Fullerton, California

Process Instruments Latin America/Pacific Operations
Fullerton, California

Toxicology Systems Department
Oceanside, California

Subsidiaries:

Altex Scientific Inc.
Berkeley, California

Beckman Analytical Instruments (Italia) S.p.A.
Milan, Italy

Beckman Instruments (Carolina) Inc.
San Juan, Puerto Rico

Beckman Instruments France S.A.
Gagny, France

Beckman Instruments G.m.b.H.
Munich, Germany

Beckman Instruments (Japan) Ltd.
Tokyo, Japan

Beckman Instruments (Process) B.V.
Mijdrecht, Netherlands

Beckman Instruments (Ireland), Inc.
Galway, Ireland

Beckman Instruments International, S.A.
Geneva, Switzerland

Beckman Instruments Italiana S.p.A.
Milan, Italy

Beckman Instruments, Ltd.
Glenrothes, Scotland

Beckman Instruments Analytiques S.A.
Morges, Switzerland

Beckman Instruments (Pty.) Ltd.
Capetown, South Africa

Beckman-RIIC Limited
Glenrothes, Scotland

Beckman Instruments de Mexico, S.A. de C.V.
Mexico City, Mexico

Beckman Instruments, Austria G.m.b.H.
Vienna, Austria

Beckman Instruments (CSS) Inc.
Carolina, Puerto Rico

Beckman Instruments (Hong Kong) Ltd.
Hong Kong

Beckman Instruments, Nederland, B.V.
Mijdrecht, Netherlands

Beckman Composants S.A.R.L.
Paris, France

Beckman Instruments Prozess-Gerate G.m.b.H.
Munich, Germany

Beckman Instruments (Holding) Ltd.
Glenrothes, Scotland

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.
+ + $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.88	5.27
%Net Income to Sales	2.61	2.56
%Net Income to Equity	23.45	23.63
Sales to Inventories	8.36	5.97
Working Capital	$ 17,620,000	$ 10,010,000
Current Ratio	1.69	1.30
Shareholders' Equity	$ 16,890,000	$ 12,460,000

Bausch & Lomb Incorporated

One Lincoln First Square
Rochester, New York 14601
(716) 338-6000

Officers: Daniel G. Schuman, chairman of the board & chief executive officer; Daniel E. Gill, president & chief operating officer; James Ruff, grop v.p.-opthalmic & consumer products; Robert J. Sparling v.p.-scientific instrument development; Myron G. Stolp, v.p.-Bushnell Optical Division; Don B. Allen, v.p.-general counsel & secretary; Phillips W. Smith, v.p.-Applied Research Laboratories Div.; Charles P. Woods, v.p.-human resources; Lorin B. Ellison, v.p.-finance; W. Robert Melville, v.p.-manufacturing services; Seymour L. Merrall, v.p.-adm. services; Eugene D. Scalera, v.p.-Scientific Optical Products Division; Anthony J. LaPaglia, v.p.-Analytical Systems Division; George H. More, v.p.-Houston Instrument Division; Stanley W. Merrell, v.p.-corporate development; W. Henry Aughey, III, treasurer.

Directors: Arthur J. O'Brien, Daniel G. Schuman*, W. Allen Wallis*, E. Kent Damon*, O. Cedric Rowntree*, Charles Rob, Alexander D. Hargrave*, Daniel E. Gill, Moshe J. Lubin, John R. Purcell.

*Member of Executive Committee.

Areas of Work: In the opthalmic area, produces lenses, eye glass frames and Softlens contact lenses, diagnostic and refracting instruments and furniture for professionals, and safety products such as eye glasses and respirators, Consumer products include sun glasses, fashion eyewear, contact lenses, telescopes, binoculars, camera lenses, rifle sights, readers and magnifiers. Scientic instruments and components and optical products for industry and the educational, medical and research fields include microscopes and accessories metallographs, spectrochemical analytical systems, spectrophotometers, diffraction gratings, electronic recoders, digital plotting systems, high precision measuring systems, photogrammetric equipment, microprojectors and optical glass.

Divisions and Subsidiaries:

Analytical Systems Division
820 Linden Avenue
Rochester, New York 14625
(716) 385-1000

Ophthalmic Lens Division
1400 N. Goodman Street
Rochester, New York 14602
(716) 338-6000

Ophthalmic Laboratories Division
1400 N. Goodman Street
Rochester, New York 14602
(716) 338-6000

Consumer Products Division
1400 N. Goodman Street
Rochester, New York 14602
(716) 338-6000

Scientific Optical Products Division
1400 N. Goodman Street
Rochester, New York 14602
(716) 338-6000

Softlens Division
1400 N. Goodman Street
Rochester, New York 14602
(716) 338-6000

Bausch & Lomb Insurance Company
1400 N. Goodman Street
Rochester, New York 14602
(716) 338-6000

Bausch & Lomb Opticare, Inc.
Rochester, New York

Bushnell Optical Company
Bushnell Building
2828 E. Foothill Boulevard
Pasadena, California 91107
(213) 577-1500

Houston Instrument Division
8500 Cameron Road
Austin, Texas 78753
(512) 837-2820

Applied Research Laboratories
Los Angeles, California

Analytical Systems Division
R.D. #2 Girts Road
Jamestown, New York 14701
(716) 488-1958

Bausch & Lomb Incorporated
Juncos, Puerto Rico

Bausch & Lomb Puerto Rico Inc.
San Juan, Puerto Rico

Bausch & Lomb Canada Ltd.
P.O. Box 4008, Terminal-A
Toronto, M5W IJ4, Canada
(416) 449-2252

Applied Research Laboratories Ltd.
Lutton, England

Bausch & Lomb U.K. Ltd.
London, England

Applied Research Laboratories, S.A.
Les Mesnil Saint-Denis, France

Bausch & Lomb-Lamard S.A.
Trappes, France

Bausch & Lomb G.m.b.H.
Vienna, Austria

Bausch & Lomb Belgium N.V.
Gistel, Belgium

Bausch & Lomb France S.A.
Versailles, France

Bausch & Lomb Hong Kong Ltd.
Hong Kong

Bausch & Lomb Italiana, S.p.A.
Rome, Italy

B.L.J. Company Limited
Tokyo, Japan

B.L. de Mexico S.A. de C.V.
Mexico City, Mexico

A.R.L. Netherlands B.V.
Amsterdam, Netherlands

Bausch & Lomb
Madrid, Spain

Bausch & Lomb A.G.
Zurich, Switzerland

Bausch & Lomb B.V.
Amsterdam, Netherlands

Bausch & Lomb Norway A/S
Oslo, Norway

Bausch & Lomb G.m.b.H.
Hamburg, Germany

Applied Research Laboratories
Dusseldorf, Germany

Bausch & Lomb Philippines Inc.
Manila, Philippines

Bausch & Lomb A.B.
Stockholm, Sweden

Bausch & Lomb-Frame Division
Eutingen, West Germany

AR Instruments Cientificos do
Brasil Limitada
Sao Paulo, Brazil

Bausch & Lomb Argentina S.A.
Buenos Aires, Argentina

Applied Research Laboratories S.A.
Lausanne, Switzerland

Applied Research Laboratories G.m.b.H.
Dusseldorf, Germany

Applied Research Laboratories Nodiska A.B.
Stockholm, Sweden

Bausch & Lomb (Australia)
Pty. Limited
Sydney, Australia

Bushnell Optical of Canada, Ltd.
Vancouver, British Columbia

Precision Instruments Company Ltd.
Hong Kong

ARLabs Pty. Ltd.
Johannesburg, Republic of South Africa

Standard Optical Co. Pty. Ltd.
Johannesburg, Republic of South Africa

OY Bausch & Lomb Finland A.B.
Helsinki, Finland

Applied Research Laboratories G.m.b.H.
Vienna, Austria

Transfer Agent(s):

Morgan Guaranty Trust Company
23 Wall Street
New York, New York 10015

Lincoln First Bank, N.A.
One Lincoln First Square
Rochester, New York 14643

Stock Exchange(s): New York

Ticker Symbol: BOL

Number of Employees:

1980	11,800	1977	10,800
1979	11,400	1976	11,500
1978	10,900		

Plant Footage:

1978 ...... 2,900,000 sq.ft.

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 582,681,000	$ 52,333,000
1979	503,031,000	41,228,000
1978*	441,684,000	29,848,000
1977	377,893,000	25,031,000
1976	349,055,000	20,770,000

	No. of Com. Shares #	Earn. per Share ‡ #
1980	11,995,601	$4.36
1979	11,797,360	3.49
1978	11,675,450	2.54
1977	11,599,160	2.14
1976	11,539,900	1.28

* 53 weeks.
‡ Including extraordinary loss of $5,750,000 ($1.00 per share) in 1976.
# Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Acquisition(s):

Altex Scientific Inc.
Berkeley, California
Manufactures high-performance liquid chromatography systems for the analysis of chemical mixtures in a wide range of medical, industrial and scientific applications.

Spectra Metrics, Inc.
Andover, Massachusetts
Manufactures plasma emission spectrometers.

Transfer Agent(s):

Security Pacific National Bank
Corporate Trust Division
333 South Hope Street
Los Angeles, California 90071

Stock Exchange(s): New York, Pacific

Ticker Symbol: BEC

Number of Employees:

1980	12,100	1977	8,600
1979	12,400	1976	7,700
1978	9,800		

Sales and Earnings

	Net Sales	Net Income
1980	$ 549,272,000	$ 36,557,000
1979	426,709,000	29,328,000
1978	338,454,000	22,436,000
1977	285,771,000	16,374,000
1976	242,400,000	11,614,000

	No. of Com. Shares +	Earn. per Share ‡
1980	20,009,000	$1.83
1979	17,687,000	1.66
1978	16,628,000	1.35
1977	16,352,000	1.00
1976	15,942,000	0.73

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.
+ Adjusted to reflect stock splits.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.31	—	—
1979	0.265	—	2-for-1
1978	0.19	—	—
1977	0.15	—	—
1976	0.132	—	2-for-1

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 274,305,000	$13.56
1979	184,423,000	10.56
1978	152,112,000	9.25
1977	128,179,000	8.03
1976	112,514,000	7.12

‡ Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended June 30	1980	1979
Net sales	$ 549,272	$ 426,709
Cost of sales	293,999	223,546
Expenses	143,917	113,200
Res. & develop. costs	39,785	33,164
Interest expense	13,214	7,771
Income before taxes	$ 58,357	$ 49,028
Income taxes	21,800	19,700
Net Income	$ 36,557	$ 29,328

* Included in Costs and Expenses, Depreciation and Amortization: $14,209,000 in 1980 and $12,512,000 in 1979.

Assets
(000's)

As of June 30	1980	1979
Cash	$ 9,222	$ 6,942
Cert. of deposit	30,795	30,572
Accts. receiv., net	137,002	114,419
Deferred inc. taxes	8,084	5,900
*Inventories	183,744	146,621
Prepaid expenses	11,069	6,894
Current Assets	$ 379,916	$ 311,348
Net investment	8,011	—
#Fixed assets	143,662	103,561
Investments and intangible assets	2,586	3,287
Total Assets	$ 534,175	$ 418,196

Liabilities
(000's)

	1980	1979
Notes payable	$ 54,541	$ 51,257
Long-term debt, curr.	5,523	4,682
Accts. payable	32,757	31,925
Accruals	44,888	39,299
Income taxes	12,662	9,487
Curr. Liabilities	$ 150,371	$ 136,650
Long-term debt	94,351	88,323
Deferred inc. taxes	15,148	8,800
+Common stock	20,233	17,466
Add. paid-in capital	86,954	30,772
Retained earnings	167,118	136,185
Total Liabilities & Shareholders' Equity	$ 534,175	$ 418,196

* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	10.62	11.49
%Net Income to Sales	6.66	6.87
%Net Income to Equity	13.33	15.90
Sales to Inventories	2.99	2.91
Working Capital	$ 229,545,000	$ 174,698,000
Current Ratio	2.53	2.28
Shareholders' Equity	$ 274,305,000	$ 184,423,000

Becton, Dickinson and Company

Mack Centre Drive
Paramus, New Jersey 07652
(201) 460-2000

Officers: Wesley J. Howe, chairman of the board & chief executive officer; Henry P. Becton, vice chairman of the board; Marvin A. Asnes, president & chief operating officer; Hubert D. Vos, sr. v.p.-finance & chief financial officer; David J. Sencer, sr. v.p.-medical & scientific affairs; Amadeu Ferreira, John C. Gabel, Franklin J. Iris, Mark B. Logan, Photios T. Paulson, group presidents; John W. Galiardo, v.p. & general counsel; Irwin Klepper, v.p.-taxes; Wilson Nolen, Bruce B. Hickox, v.p.'s; Marilyn V. Brown, v.p.-corp. communications; Walter M. Miller, v.p.-corp. planning & development; Bernard A. Shoor, v.p.-research & development; M. Bradfield Scranton, v.p.-human resources; Robert A. Reynolds, treasurer; Alfred J. Battaglia, controller; Robert G. Butler, secretary.

Directors: Wesley J. Howe, chairman of the board; Marvin A. Asnes*, Theodore J. Bauer, Henry P. Becton*, Hubert D. Vos, William S. Little, C. Albert Rollenhagen*, Harry Roth*, Wesley J. Howe*, Charles C. Edwards, Fred R. Sullivan, Raymond S. Troubh, Robert W. Haack.

*Member of Executive Committee.

Divisions and Subsidiaries:

Health Care Group

Bard -Parker Division
Lincoln Park, New Jersey
Surgical blades, handles disposable suction products, stethescopes, germicidal solutions.

Becton-Dickinson Vacutainer Systems
Rutherford, New Jersey
Vacutainer Brand blood collection tubes and needles, blood culture systems and unoppette disposable dilution pipettes.

B-D Drake Willock
Portland, Oregon
Hemodialysis and peritoneal dialysis systems and equipment; tubing sets and accessories.

Becton Dickinson Medical Systems
Sharon, Massachusetts
Computer-based monitoring equipment and systems used to measure patient status in the surgical, intensive care, coronary care, and emergency room units of the hospital; laboratory and pharmacy computer systems.

Becton Dickinson Consumer Products Division
Rochelle Park, New Jersey
Health and personal care products sold in retail outlets including reusable syringes, disposable insulin syringes and needles, diabetic supplies, MercurochromeB-D Brand fever thermometers, ACE Brand elastic bandages, BAUER
lastic suppot wear and CANK-AID for cold sore relief.

Becton Dickinson FACS
Sunnyvale, California
Fluorescence activated cell sorter used in identifying and isolating closely related cells or other biological particles; mono-clonal antibodies used in research.

Telemed Cardio-Pulmonary Systems
Hoffman Estates, Illinois
Computerized electro-cardiographic analysis services to medical facilities and physician's offices.

BBL Microbiology Systems
Cockeysville, Maryland
Automated microbiology instruments and reagents used in the performance of blood culture tests; dehydrated and prepared biological culture media and culture media ingredients used by laboratories in diagnostic tests to determine the presence of bacteria and other microorganisms; antimicrobial and antibiotic sensitivity discs used in laboratories to differentiate micro-oganisms; media used to transport specimens to and from the laboratory.

Clay Adams Laboratory Systems
Parsippany, New Jersey
Blood chemistry analyzers and blood cell counter instruments; reagents for clinical chemistry and hematology; centrifuges; clinical and general laboratory equipment; anatomical models of the human body; dissecting kits and visual aid for teaching biological sciences.

Becton Dickinson Immunodiagnostics
Orangeburg, New York
Radioimmunoassay kits; blood typing sera; crossmatching reagents and blood cell reagents; serological detection kits, and injectable diagnotics.

Becton Dickinson Labware Division
Oxnard, California
Plastic and glass labware, sterile and nonsterile, for microbiology, chemistry;tissue culture and microscopy supplies; specimen collection systems; pipettes and pipetting devices.

Industrial Safety Group

Edmont Division
Coshocton, Ohio
Dipped latex and vinyl plastic gloves for heavy duty protection and lightweightgloves for handling and inspecting small parts, protective clothing, including reusable and semi-disposable aprons and overalls, and vinyl coated rainwear; airplane interior fabrics and wall coverings.

Becton, Dickinson and Company

Endevco Division
San Juan Capistrano, California
Motion, vibration and shock measuring instruments for surface and air transportation and machinery monitoring; acoustic emission instrumentation and flaw detection systems.

The Digitran Company
Pasadena, California
Digital switches and keyboards for computers and automation equipment.

Ivers-Lee Division
West Caldwell, New Jersey
Contract packaging for pharmaceutical, cosmetic and food industries; designs and sells packaging equipment.

Energetics Science
Hawthorne, New York
Instruments and systems for the detection and monitoring of hazardous gases andoxygen.

International Group

Becton, Dickinson, Canada
Mississauga, Ontario, Canada
Syringes, needles, examination gloves, blood collecting tubes. Canadian sellingagent for all Bard-Parker, Becton-Dickinson, BBL and Clay Adams and Becton Dickinson Labware products.

Becton Dickinson Europe
Grenoble, France
Operations in Europe for the manufacture, distribution and sale of a wide rangeof B-D products for medical, laboratory and consumer usage.

Huntingdon Research Centre
Huntingdon, Hunts, England
Conducts contract pharmacological, toxicological, biochemical and other biomedical tests and studies for pharmaceutical, food, tobacco and cosmetic industries.
Becton Dickinson International Sales
Paramus, New Jersey
Markets a wide range of Becton Dickinson products for medical, laboratory and consumer usage in Africa, Asia, Australia and the Middle East.

Becton Dickinson Latin America
Paramus, New Jersey
Operations in Latin America for the manufacture, distribution and sale of a wide range of B-D products and services for medical, laboratory and consumer usage.
Becton Dickinson Overseas, Inc.
(Japan Branch)
Tokyo, Japan
Imports and markets a wide range of B-D products for medical, laboratory, consumer and industrial usage.

Becton Dickinson Research Center
Research Triangle Park, N.C.
Conducts company and contract research programs in microbiology, biochemistry, pharmacology, and biomedical engineering and materials.

Transfer Agent(s):

Morgan Guaranty Trust
30 West Broadway
New York, New York 10015

The National Community Bank of New Jersey
24 Park Avenue
Rutherford, New Jersey 07070

Stock Exchange(s): New York

Ticker Symbol: BDX

Number of Employees:

1980	20,600	1977	17,700
1979	20,600	1976	17,100
1978	19,100		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 942,031	$ 64,694
1979	809,808	61,879
1978	698,065	53,363
1977	607,669	47,940
1976	528,616	42,595

	No. of Com. Shares ‡	Earn. per Share ‡
1980	21,037,000	$3.14
1979	21,025,000	3.01
1978	21,052,000	2.60
1977	21,034,000	2.35
1976	20,902,000	2.11

‡ Based on the average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Medical	$ 557,479	$ 478,643
Laboratory	227,751	190,971
Industrial safety	156,801	140,194
Total	$ 942,031	$ 809,808

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.92	—	—
1979	0.84	—	—
1978	0.72	—	—
1977	0.60	—	—
1976	0.50	—	—

Common Stock Equity

	Total Equity (000's)	Equity + Per Share
1980	$ 502,902	$25.10
1979	454,460	22.76
1978	408,339	20.49
1977	367,956	18.49
1976	327,513	16.58

+ Based on the average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended Sept. 30	1980	1979
Net sales	$ 942,031	$ 809,808
Cost of sales	530,881	445,550
Expenses	306,604	255,534
Interest income	15,712	(6,102)
Other income	(5,454)	(570)
Income before taxes	$ 102,696	$ 103,410
Income taxes	38,002	41,531
Net Income	$ 64,694	$ 61,879

* Included in Costs and Expenses, Depreciation and Amortization: $32,596,000 in 1980 and $26,432,000 in 1979.

Assets
(000's)

As of Sept. 30	1980	1979
Cash	$ 5,469	$ 2,499
Investments	50,539	46,335
Receivables, net	186,162	169,901
* Inventories	222,348	206,883
Other curr. assets	15,805	12,579
Current Assets	$ 480,323	$ 438,197
# Fixed assets	294,566	227,024
Other assets	25,018	19,475
Intangibles	41,534	44,179
Total Assets	$ 841,441	$ 728,875

Liabilities
(000's)

Notes payable	$ 83,572	$ 59,559
Long-term debt, curr.	2,709	3,069
Accts. payable & accruals	66,581	56,370
Accrued payroll	42,723	34,042
Income taxes	20,781	21,472
Curr. Liabilities	$ 216,366	$ 174,512
Long-term debt	98,079	81,877
Deferred inc. taxes	24,094	18,026
+ Common stock	20,210	20,137
Add. paid-in capital	95,002	92,935
Retained earnings	388,298	341,999
Treasury stock	(608)	(611)
Total Liabilities & Shareholders' Equity	$ 841,441	$ 728,875

*At lower of cost (LIFO in 1980 and FIFO in 1979) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.90	12.77
%Net Income to Sales	6.87	7.64
%Net Income to Equity	12.86	13.62
Sales to Inventories	4.24	3.91
Working Capital	$ 263,957,000	$ 263,685,000
Current Ratio	2.22	2.51
Shareholders' Equity	$ 502,902,000	$ 454,460,000

Beehive International

4910 Amelia Earhart Drive
Box 25668
Salt Lake City, Utah 84125
(801) 355-6000

Officers: Eugene H. Frink, Jr., chairman of the board; Warren B. Clifford, president & chief executive officer; Robert D. DeForest, sr. vice president-operations; Richard P. Beck, sr. v.p.-finance & treasurer; Scott H. Nelson, v.p.-engineering; John D. Stong, v.p.-manufacturing; Randall L. Romrell, secretary & general counsel, B. John Bodell, v.p.-sales; Betty A. Weber, asst. secretary; Kathleen Sutton, asst. treasurer.

Directors: Eugene H. Frink, Jr.*, chairman; Warren B. Clifford*, James S. Hooper*, Herbert J. Redd, Enrique Moreno, Donald G. McQuarrie, Douglas R. Cook, Grant Wilkins*, Allison F. Page, D. William Clifford; James Johnson.

*Members of Executive Committee.

Areas of Work: Engaged in the design, development, maufacture and distribution of a variety of computer systems and peripheral equipment used in medicine, business, industry, science and education. Beehive's video display terminals have been designed for use in many different data processing endeavors to cross communicate with computers.

Subsidiaries:

Beehive Europe, Inc. (DISC)
Gebouw 70 Kamer 134
1177 AA Schipol
The Netherlands
Service organization and representative for the parent company.

Transfer Agent(s):

Wells Fargo Bank
San Francisco, California 94144

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BHIV (NASDAQ)

Sales and Earnings

	Net Sales +	Net Income †
1980	$ 33,110,181	$ 2,218,692
1979	24,293,163	1,277,315
1978	18,225,776	(2,732,903)
1977	20,392,306	653,277
1976	12,271,319	763,710

	No. of Com. Shares #	Earn. per Share † #
1980	1,267,715	$1.75
1979	1,259,440	1.01
1978	1,254,373	—
1977	1,059,641	0.62
1976	941,003	0.81

(Loss)

+ Of continuing operations only.

† Including extraordinary gains of $313,473 ($0.24 per share) in 1980 and $455,000 ($0.36 per share) in 1979.

# Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 7,415,645	$5.85
1979	5,098,613	4.05
1978	3,774,338	3.01
1977	6,497,362	6.13
1976	3,083,809	3.28

† Based on the weighted average number of shares outstanding.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 33,110,181	$ 24,293,163
Other income	—	57,855
Total income	$ 33,110,181	$ 24,351,018
Cost of sales	21,807,316	15,895,472
Expenses	7,424,931	6,195,255
Interest expense	1,164,528	982,976
Income before taxes	$ 2,713,406	$ 1,277,315
Income taxes	808,187	455,000
Net Income	$ 1,905,219	$ 822,315
Extraord. gain	313,473	455,000
Net Income & extraord. gain	$ 2,218,692	$ 1,277,315

* Included in Costs and Expenses, Depreciation and Amortization: $777,480 in 1980 and $658,939 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 880,686	$ 566,935
Accts. receiv., net	7,116,653	5,500,371
* Inventories	5,697,871	5,106,641
Prepaid expenses	96,441	79,863
Deferred income tax	50,599	—
Current Assets	$ 13,842,250	$ 11,253 810
# Fixed assets	3,575,154	3,620,662
Other assets	95,347	121,245
Service stock	539,786	543,557
Deferred income tax	63,279	—
Total Assets	$ 18,115,816	$ 15,539,274

Liabilities

	1980	1979
Long-term debt, curr.	$ 2,829,712	$ 2,931,377
Accts. payable	1,224,997	1,783,472
Accruals	1,418,966	973,919
Income tax payable	440,484	—
Curr. Liabilities	$ 5,914,159	$ 5,688,768
Long-term debt	4,672,781	4,751,893
Deferred income tax	113,231	—
+ Common stock	25,569	25,349
Add. paid-in capital	4,452,145	4,354,025
Retained earnings (deficit)	2,937,931	719,239
Total Liabilities & Shareholders' Equity	$ 18,115,816	$ 15,539,274

* At lower of standard cost or market.

# Less accumulated depreciation and amortization.

+ $0.02 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.20	5.26
%Net Income to Sales	5.75	3.38
%Net Income to Equity	25.69	16.13
Sales to Inventories	5.81	4.76
Working Capital	$ 7,928,091	$ 5,565,042
Current Ratio	2.34	1.98
Shareholders' Equity	$ 7,415,645	$ 5,098,613

Bel Fuse Inc.

198 Van Vorst Street
Jersey City, New Jersey 07302
(201) 432-0463

Officers: Elliot Bernstein, president; Howard Bernstein, vice president; Robert Simandl, secretary.

Directors: Elliot Bernstein, Howard Bernstein, Robert Simandl, Sidney Faber, Seymour Offerman, Peter Loh.

Areas of Work: Maufactures electronic components for the home entertainment and data processing equipment markets. Products include chemical fuses, circuit breakers, special protective devices, spark gaps, delay lines, and special coil products.

Subsidiaries:

Bel Fuse Ltd.
1-C Middle Road
J. Hotung House
Kowloon, Hong Kong

Acessorios Electronicos
(Bel Fuse Macau) LDA
Fabrica G-1, Do Andar,
Do Predio Comos
Nos. 169-169A
Av. Almirante Lacerada
Macau

Transfer Agent(s):

First Jersey National Bank
Jersey City, New Jersey

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 9,711,764	$ 406,813
1979	8,113,527	452,847
1978	6,242,300	532,976
1977	4,810,754	(11,173)
1976	4,733,627	291,775

	No. of Com. Shares #	Earn. per Share # ‡
1980	392,894	$1.04
1979	394,397	1.15
1978	394,820	1.35
1977	394,901	—
1976	397,380	0.73

‡ Including extraordinary gain of $25,000 ($0.06 per share) in 1978.

# Based on weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 2,646,526	$6.74
1979	2,243,773	5.69
1978	1,792,626	4.54
1977	1,259,650	3.19
1976	1,272,939	3.20

# Based on weighted average number of shares outstanding.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 9,711,764	$ 8,113,527
Cost of sales	7,088,392	5,924,401
Expenses	2,067,234	1,590,241
Other income	(640)	(7,255)
Interest expense	61,965	56,293
Income before taxes	$ 494,813	$ 549,847
Income taxes	88,000	97,000
Net Income	$ 406,813	$ 452,847

* Included in Costs and Expenses, Depreciation and Amotization: $201,936 in 1980 and $156,688 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 294,130	$ 149,787
Accts. receiv., net	1,176,576	1,157,725
* Inventories	1,556,132	1,502,603
Prepaid expenses	57,783	42,504
Prepaid for. taxes	25,154	—
Deferred inc. taxes	—	4,000
Current Assets	$ 3,109,775	$ 2,856,719
# Fixed assets	843,586	765,006
Other assets	44,401	44,891
Total Assets	$ 3,997,762	$ 3,666,676

Liabilities

	1980	1979
Notes payable	$ 335,000	$ 347,420
Long-term debt, curr.	27,039	21,168
Accts. payable	498,700	550,132
Accruals	413,941	421,483
Income taxes	45,109	36,507
Curr. Liabilities	$ 1,319,789	$ 1,376,710
Long-term debt	13,447	28,193
Deferred inc. taxes	18,000	18,000
+ Common stock	264,965	264,965
Add. paid-in capital	149,804	149,804
Retained earnings	2,240,589	1,833,776
Treasury stock	(8,832)	(4,772)
Total Liabilities & Shareholders' Equity	$ 3,997,762	$ 3,666,676

* At lower of cost (FIFO) or market.

# Less accumulated depreciation and amortization.

+ $0.66⅔ par value.

Statistical Summary

%Income bef. Taxes to Sales	5.09	6.78
%Net Income to Sales	4.19	5.58
%Net Income to Equity	15.37	20.18
Sales to Inventories	6.24	5.40
Working Capital	$ 1,789,986	$ 1,480,009
Current Ratio	2.36	2.08
Shareholders' Equity	$ 2,646,526	$ 2,243,773

Bell & Howell Company

7100 McCormick Road
Chicago, Illinois 60645
(312) 673-3300
(312) 262-1600

Officers: Donald N. Frey, chairman of the board, chief executive officer & president; Gerald E.A. Perutz, Robert B. Huff, exec. v.p.'s; Raymond A. Andrew, sr. v.p.; L. Michael Foley, George E. Marton, Robert B. Pfannkuch, Kingsley G. Bewley, Thomas P. O'Mara, Dexter P. Cooper, Jr., Charles W. Trippe, David T. Jones, Daniel J. Yomine, vice presidents; Jon D. Noel, controller; Jack K. Hudson, v.p., general counsel & secretary; L. Steven Minkel, treasurer; John W. Hardie, assistant treasurer; Jeanne E. Truex, David Weiss, asst. secretaries; Philip P. Haag, Gary Saunders, assistant controllers.

Directors: Donald N. Frey, Joseph B. Platt, William B. Graham, Peter G. Scotese, Robert H. Malott, Henry G. Van der

Bell & Howell Company

Eb, Stanley E.G. Hillman, John L. Vogelstein, James J. O'Connor, Lawrence W. Kanaga, Gerald E.A. Perutz, J. Herbert Holloman, Theodore Operhall, Robert B. Huff.

Areas of Work: Operating divisions are grouped in three lines of business: Specialized Business Equipment, Learning Systems & Materials, and Instrumentation. Specialized Business Equipment, the largest division includes microfilm products and service, microfiche, computer output microfilm (COM), mail handling systems, remittance processing, professional film printers and duplicators. Learning Systems offer teaching material, text books, eight institutes of technology, videocassettes and projectors. Instrumentation products include transducers, magnetic recording equipment, night vision and electro optics systems for military and commercial use, aspherics, glass and plastic optics.

Divisions and Subsidiaries:

International Administration
7100 McCormick Road
Chicago, Illinois 60645
(312) 262-1600
(312) 673-3300

Business Equipment Administration
6800 McCormick Road
Chicago, Illinois 60645
(312) 539-7300
(312) 565-7600

Phillipsburg Division
6800 McCormick Road
Chicago, Illinois 60645
(312) 675-7600
(312) 539-7300

Micro Photo Division
Old Mansfield Road
Wooster, Ohio 44691
(216) 264-6666

Avicom Division
360 Sierra Madre Villa
Pasadena, California 91109
(213) 796-9381

Microfilm Products Division
6800 McCormick Road
Chicago, Illinois 60645
(312) 675-7600
(312) 539-7300

Audio-Visual Division
7100 McCormick Road
Chicago, Illinois 60645
(312) 262-1600
(312) 673-3300

Professional Division
7100 McCormick Road
Chicago, Illinois 60645
(312) 262-1600
(312) 673-3300

Optics Division
7100 McCormick Road
Chicago, Illinois 60645
(312) 262-1600
(312) 673-3300

Lincolnwood Operations
7100 McCormick Road
Chicago, Illinois 60645
(312) 262-1600
(312) 673-3300

Corporate Administrative Offices
7100 McCormick Road
Chicago, Illinois 60645
(312) 262-1600
(312) 673-3300

Training & Education Administration
2201 W. Howard Street
Evanston, Illinois 60202
(312) 328-8100

Bell & Howell Exports, Inc.
7100 McCormick Road
Chicago, Illinois 60645
(312) 262-1600
(312) 673-3300

Bell & Howell Education Administration
2201 W. Howard Street
Evanston, Illinois 60202
(312) 328-8100

Missouri Institute of Technology
9001 State Line
Kansas City, Missouri 64108
(816) 361-6700

Charles E. Merrill Publishing
1300 Alum Creek Drive
Columbus, Ohio 43216
(614) 258-8441

Bell & Howell Acceptance Corp.
7100 McCormick Road
Chicago, Illinois 60645
(312) 262-1600

Bell & Howell (South Africa) Pty. Ltd.
P.O. Box 32139
101 Juta Street
Braamfontein, Johannesburg, South Africa

Micrographix, (Pty.) Ltd.
P.O Box 31239
101 Juta Street
Braamfontein, Johannesburg, South Africa

Bell & Howell GmbH (AV and Business Equipment)
6360 Friedberg/Hessen
Raiffeisenstrasse 8
P.O.B. 1207
West Germany

Bell & Howell Benelux N.V.
Ravenswade 22
3439 LD Nieuwegein, Holland

NB Jackets, SA
Rue de l'Hospice Communal 133
B-1170 Brussels, Belgium

Bell & Howell France, S.A.
112 Rue des Solets
Silic 138
94523, Rungis, Cedex, France

Service
7100 McCormick Road
Chicago, Illinois 60645
(312) 262-1600
(312) 673-3300

Bell & Howell Italia S.p.A.
  A-V Division
  Electronics & Instruments Division
  Via Inverigo 6
  20151 Milan, Italy

Bell & Howell Australia Pty. Ltd.
55-69 Murray St.-Pyrmont
G.P.O. Box 4778
Sydney, N.S.W., Australia

Bell & Howell Benelux S.A.
Leavensesteenweg 321
1940 St. Stevens Woluwe
Zaventem, Belgium

Datatape Division
300 Sierra Madre Villa
Pasadena, California 91109
(213) 796-9381

CEC Division
360 Sierra Madre Villa
Pasadena, California 91109
(213) 796-9381

The Institute for Paralegal Training
235 South 17th Street
Philadelphia, Pa. 19103
(215) 732-6600

DeVry Institute of Technology
2858 Woodcock Blvd.
Atlanta, Georgia 30341
(404) 452-1562

DeVry Institute of Technology
3300 N. Campbell
Chicago, Illinois 60618
(312) 929-8500

Ohio Institute of Technology
1350 Alum Creek Drive
Columbus, Ohio 43209
(614) 253-7291

DeVry Institute of Technology
5353 Maple Avenue
Dallas, Texas 75235
(214) 638-6480

DeVry Institute of Technology
479 Green Street
Woodbridge, New Jersey 07095
(201) 634-3460

DeVry Institute of Technology
4702 N. 42nd Street
Phoenix, Arizona 85013
(602) 956-8806

Bell & Howell Ireland
Clonshaugh Industrial Estate
Coolock, Dublin 5, Ireland

DocuMail Systems Division
9801 Industrial Boulevard
Lenexa, Kansas 66215
(913) 888-8775

Electronics System Products Division
16135 Wyandotte Street
Van Nuys, California 91406
(213) 988-6422

Phillipsburg & Magnacraft Division
U.S. Route #22, P.O. Box 186
Phillipsburg, New Jersey 08865
(201) 859-1777

Video Administration
7100 McCormick Road
Chicago, Illinois 60645
(312) 262-1600
(312) 673-3300

Marine Video International
360 Sierra Madre Villa
Pasadena, California 91109
(213) 796-9381

Fernseh Inc. (joint venture between B&H and Robert Bosch Corp.)
P.O. Box 15068
3485 W. 2100 South
Salt Lake City, Utah 84115
(801) 972-8000

Professional & Video Systems Division
720 Landwehr Road
Northbrook, Illinois 60062
(312) 291-1150

Memorex/Bell & Howell Home Video (joint venture)
720 Landwehr Road
Northbrook, Illinois 60062
(312) 291-1150

NB Jackets de Puerto Rico, Inc.
Road No. 1, KM 33.5
P.O. Box 1151
Caguas, Puerto Rico 00625

NB Jackets Corporation
55-02 Broadway
Woodside, New York 11377
(212) 672-9000

DeVry Institute of Technology
970 Lawrence Avenue West
Toronto, M6A-1C5 Ontario,
Canada
(416) 787-1445

Bell & Howell Canada Ltd.
  Audio Visual Products Division
  Business Equipment Division
  230 Barmac Drive
  Weston, Ontario M9L 2X5
  (416) 746-2200

Bell & Howell, A.B.
Vintergartan 1
S-17230, Sundyberg, Sweden

Bell & Howell Instrument Company/Bell & Howell
Devices, Inc./Bell & Howell Magnetics, Inc.
P.O. Box 6619
Loiza Street Station
Santurce, Puerto Rico 00914
(809) 769-9910

Bell & Howell Japan Co.
5-2 Bldg., 2 Kojimachi 5-Chome
Chiyoda, Tokyo 102, Japan

Bell & Howell Limited
A-V Division
Alperton House, Bridgewater Road
Wembley, HAO 1EG, England

Business Equipment Division
33-35 Woodthorpe Road
Ashford, Middlesex, England

Electronics & Instruments Division
Lennox Road
Basingstoke, Hants, RG 22 4AW, England

Bell & Howell France S.A.
A-V Division
Business Equipment Division
Electronics & Instruments Division
32-34 Rue Fernand Pelloutier
92110, Clichy, France

Bell & Howell GmbH
Electronics & Instruments Division
Postfach 1230
Frankfurter Strasse, West Germany

COM Division (Computer Output on Microfilm)
16691 Hale Avenue
Irvine, California 92714
(714) 641-1050

Microimagery Administration
6800 N. McCormick Road
Chicago, Illinois 60645
(312) 675-7600
(312) 539-7300

Micro Design Division
857 West State Street
Hartford, Wisconsin 53027
(414) 673-3920

Business Data Products Division
360 Sierra Madre Villa
Pasadena, Calif. 91109
(213) 796-9381

Automated Systems Division
2280 E. Riley Street
Zeeland, Michigan
(616) 772-1000

Pretec Precisie Technick B.V.
P.O. Box 53
1160 AB 2 Zwanenburg
Holland

Bell & Howell England
Dansk Filial
Oliesabriksvej 29-43
DK-2770 Kastrup
Denmark

Business Data Products Division
2720 Des Plaines Ave.
Des Plaines, Ilinois 60018
(312) 297-1225

Acquisition(s):

Automated Systems
Manufactures self-propelled, unmanned, automatically guided mail delivery vehicles for office use.

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
Stock Transfer Department
30 West Broadway
New York, N.Y. 10015

Stock Exchange(s): *New York, Midwest, Pacific.

* Listed and/or traded.

Ticker Symbol: BHW

Number of Employees:

1980	11,241	1977	12,917
1979	11,280	1976	12,928
1978	12,310		

Sales and Earnings

	Net Sales +	Net Income†
1980*	$639,962,000	$ 26,448,000
1979	538,386,000	(24,852,000)
1978	469,339,000	12,280,000
1977	407,678,000	11,582,000
1976	367,965,000	4,030,000

	No. of Com. Shares	Earn. per Share ‡†
1980	5,604,716	$4.69
1979	5,550,683	—
1978	5,536,524	2.20
1977	5,725,656	2.01
1976	5,712,026	0.70

(Loss)
* 53 weeks.
+ Of continuing operations only.
† Including extraordinary gain of $7,230,000 ($1.28 per share) in 1980.
‡ Based on the average number of common shares and common share equivalents outstanding assuming full dilution.

Revenues By Line of Business
(000's)

	1980	1979
Specialized business equipment	$ 311,700	$ 263,400
Learnings systems & Materials	243,400	205,200
Instrumentation	84,900	69,800
Total	$ 640,000	$ 538,400

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.96	—	—
1979	0.96	—	—
1978	0.87	—	—
1977	0.84	—	—
1976	0.84	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$177,796,000	$31.72
1979	155,577,000	28.03
1978	185,555,000	33.51
1977	181,204,000	31.65
1976	174,219,000	30.50

‡ After allowing for preferred stock at liquidation value of $60 per share.

Income Account *
(000's)

Year ended	1/3/81 (53 weeks)	12/29/79
Net sales	$ 639,962	$ 538,386
Other income	4,159	4,399
Total income	$ 644,121	$ 542,785
Cost of sales	416,420	350,781
Expenses	184,280	154,089
Interest expense	11,513	10,403
Income before taxes	$ 31,908	$ 27,512
Income taxes	12,690	10,736
Inc. from cont. oper.	$ 19,218	$ 16,776
Loss from discont. oper.	—	(41,628)
Net Income (Loss)	$ 19,218	$ (24,852)
Extraord. gain	7,230	—
Net Income (Loss) & Extraord. gain	$ 26,448	$ (24,852)

* Included in Costs and Expenses, Depreciation: $11,122,000 in 1980 and $11,296,000 in 1979.

Assets
(000's)

As of	1/3/81	12/29/79
Cash	7,022	$ 4,821
Marketable securities	6,276	2,950
Accts. receiv., net	133,185	116,862
* Inventories	132,089	114,938
Prepaid expenses	3,642	2,398
Prepaid taxes	9,220	8,275
Current Assets	$ 291,434	$ 250,244
# Fixed assets	61,882	59,771
Investments & other assets	34,261	28,482
Total Assets	$ 387,577	$ 338,497

Liabilities

Notes payable	$ 8,864	$ 15,777
Long-term debt, curr.	1,360	919
Accts. payable	44,537	29,098
Accruals	38,269	32,870
Deferred income	23,868	18,898
Income taxes	13,991	6,101
Curr. Liabilities	$ 130,889	$ 103,663
Long-term debt	60,757	61,878
Deferred compens.	6,013	4,714
Deferred inc. taxes	7,662	7,505
Liab. of discont. oper.	3,939	4,630
+ Preferred stock	521	530
+ + Common stock	36,496	35,343
Add. paid-in capial	13,975	13,975
Retained earnings	127,325	106,259
Total Liabilities & Shareholers' Equity	$ 387,577	$ 338,497

* At lower of cost (FIFO) or market. Domestic inventories of the Learning Systems & materials line of business stated at LIFO.
# Less accumulated depreciation.
+ $50 par value; $2.50 Series cumulative convertible.
+ + No par value.

Statistical Summary

%Income bef. Taxes to Sales	4.99	—
%Net Income to Sales	3.00	—
%Net Income to Equity	10.78	—
Sales to Inventories	4.84	4.68
Working Capital	$160,545,000	$146,581,000
Current Ratio	2.23	2.41
Shareholders' Equity	$178,317,000	$156,107,000

Bell Industries

1880 Century Park East
Los Angeles, California 90067
(213) 879-1851

Officers: Theodore Williams, chairman of the board & president; Howard B. Franklin, sr.v.p.; J.R. Hummes, sr. v.p. & secretary; Nathan Landgarten, sr. v.p. & treasurer; Bruce M. Jaffe, v.p.-finance; Vernon D. Severy, Samuel C. Essick, v.p.'s; Dennis M. Benson, controller.

Directors: T.E. Williams*, chairman; Howard B. Franklin*, Nathan Landgarten*, J.R. Hummes*, John J. Cost, Ellis Ring, Milton Rosenberg.

*Member of the Executive Committee.

Bell Industries

Areas of Work: Company activities may be classified into the following primary groups or lines— electronics, recreational products, residential products and technical products. The Electronics Group manufactures and distributes components and devices used in the electronics, semiconductor, computer, aerospace, aircraft and communications industries. The Recreational Products Group manufactures fiberglass speedboats and distributes components and accessories for the automotive, mobilehome, camper, snowmobile and motorcycle markets. The Transportation Parts and Accessories Group manufactures furniture and distributes plumbing and construction supplies regionally. The Technical Products Group distributes arts supplies and equipment and manufactures precision mechanical devices for the computer, aircraft and aerospace industries.

Divisions:

Calorator Bar Furniture Division
6931 Stanford Avenue
Los Angeles, California 90001
(213) 750-3161

Electronic Distributor Division
1161 N. Fair Oaks
Sunnyvale, California 94086
(408) 734-8570

Electronic Distributor Division
306 East Alondra Boulevard
Gardena, California 90247
(213) 515-1800

Electronic Distributor Division
3422 W. Touhy Avenue
Skokie, Illinois 60645
(312) 982-9210

Electronic Distributor Division
1900 132nd N.E.
Bellevue, Washington 98005
(206) 747-1515

Electronic Distributor Division
11728 Linn N.E.
Albuquerque, New Mexico 87123
(505) 292-2700

Electronic Distributor Division
8155 West 48th Avenue
Wheatridge, Colorado 80033
(303) 424-1985

Electronic Distributor Division
3639 W2150 South
Salt Lake City, Utah 84120
(801) 972-6969

Electronic Systems Division
1831 South Ritchey Street
Santa Ana, California 92705
(714) 835-1464

Farwest Manufacturing Division
18225 N.E. 76th Street
Redmond, Washington 98052
(206) 885-4353

Graphic Arts Supply Division
4425 Shiela Street
Los Angeles, California 90040
(213) 268-9500

Graphic Arts Supply Division
615 Dado Street
San Jose, California 95131
(408) 946-5100

Midwest Mobilehome Supplies, Inc.
1081 Highway 36
St. Paul, Minnesota 55109
(612) 484-0291

Midwest Mobile Home Supplies Division
12775 W. Silver Spring Road
Butler, Wisconsin 53007
(414) 781-1860

J.W. Miller Division
19070 Reyes Avenue
Compton, California 90221
(213) 537-5200

Plumbing Supply Division
7 College Avenue
Santa Rosa, California 95401
(707) 545-7101

Precision Components Division
12605 South Van Ness Avenue
Hawthorne, California 90250
(213) 757-8381

Precision Metalcrafts Division
2637 Marine Way
Mountain View, California 94040
(415) 961-5532

Reliable Steel Supply Co.
740 E. 111th Place
Los Angeles, California 90059
(213) 777-3111

also at:

9707 Aero Drive
San Diego, California 92123
(714) 279-9750

Rox Automotive Division
2345 Harrison Street
San Francisco, California 94110
(415) 282-8830

Saw & Machine Division
3590 W. Third Avenue
Eugene, Oregon 97402
(503) 683-2355

Tahiti Boat Division
17906 Crusader
Cerritos, California 90701
(213) 860-0477

Doug Thorley Headers Division
7403 Telegraph Road
Los Angeles, California 90040
(213) 722-3774

Solar Products Division
Tustin, California

Acquisition(s):

Marlin Boats, Inc.
White City, Oregon

Transfer Agent(s):

Union Bank
Corporate Trust Department, 11th Floor
3810 Wilshire Boulevard
Los Angeles, California 90017

Union Bank
140 Cedar Street
New York, New York 10006

Stock Exchange(s): New York, Pacific

Ticker Symbol: BI

Number of Employees:

1980	1,800
1979	1,700
1978	1,600
1977	1,400
1976	1,200

Plant Footage:

1980	1,216,000 sq. ft.
1979	1,165,000
1978	1,007,000
1977	837,000
1976	837,000

Sales and Earnings

	Net Sales	Net Income
1980	$200,440,000	$ 8,760,000
1979	166,386,000	7,182,000
1978	131,818,000	5,027,000
1977	109,905,000	4,290,000
1976	83,981,000	3,350,000

	No. of Com. Shares#	Earn. per Share#
1980	4,379,000	$2.00
1979	4,317,000	1.66
1978	4,292,000	1.17
1977	4,280,000	1.00
1976	4,148,000	0.81

# Based on average number of shares and common stock equivalents outstanding.

Revenues By Line of Business

	$	1980 (000's)	$	1979 (000's)
Electronics		109,751		86,842
Transportation products		32,037		34,287
Residential products		43,131		33,550
Graphic arts		15,521		11,707
Total	$	200,440	$	166,386

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.21	—	—
1979	0.17	—	—
1978	0.15	—	—
1977	0.10	—	—
1976	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 42,734,000	$9.88
1979	34,689,000	8.07
1978	28,154,000	6.59
1977	23,660,000	5.58
1976	19,691,000	4.67

† Based on average number of shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended June 30		1980		1979
Net sales	$	200,440	$	166,386
Cost of sales		144,122		120,786
Expenses		35,822		29,385
Interest expense		3,076		1,778
Income before taxes	$	17,420	$	14,437
Income taxes		8,660		7,255
Net Income	$	8,760	$	7,182

* Included in Costs and Expenses, Depreciation and Amortization: $1,814,000 in 1980 and $1,610,000 in 1979.

Assets
(000's)

As of June 30		1980		1979
Cash	$	2,054	$	1,040
Accts. receiv., net		29,692		24,838
*Inventories		43,919		31,924
Prepaid expenses		499		596
Current Assets	$	76,164	$	58,398
#Fixed assets		10,085		8,131
Other assets		4,872		3,634
Total Assets	$	91,121	$	70,163

Liabilities
(000's)

Note payable	$	4,750	$	2,100
Long-term debt, curr.		24		125
Accts. payable		13,250		12,084
Accruals		5,339		3,492
Dividends payable		259		344
Income taxes		1,765		2,312
Curr. Liabilities	$	25,387	$	20,457
Long-term debt		149		318
Note payable		10,500		3,000

9% senior notes	10,000	10,000
10% subord. deben.	1,124	1,104
Deferred comp.	1,227	595
+Common stock	1,081	1,074
Add. paid-in capital	3,075	2,891
Retained earnings	38,578	30,724
Total Liablities & Shareholders' Equity	$ 91,121	$ 70,163

* At lower of cost (FIFO) or market (net realizable value).
# Less accumulated depreciation.
+ $0.25 stated value.

Statistical Summary

%Income bef. Taxes to Sales	8.69	8.68
%Net Income to Sales	4.37	4.32
%Net Income to Equity	20.50	20.70
Sales to Inventories	$ 50,777,000	$ 37,941,000
Current Ratio	3.00	2.85
Shareholders' Equity	$ 42,734,000	$ 34,689,000

The Bendix Corporation

20650 Civic Center Drive
Southfield, Michigan 48037
(313) 827-5000

Officers: William M. Agee, chairman, president & chief executive officer; William C. Purple, executive v.p. & pres., Aerospace Electronics Group; J. Mason Reynolds, pres., Automotive Group; Craig R. Smith, pres., Industrial Group; F. Joseph Svec, executive v.p. & chief financial officer; John W. Weil, sr. v.p. & chief technical officer; Harold S. Barron, v.p., secretary & general counsel; K. Larry Hastie, v.p.-corp. organization & human resources; Frank M. Adams, v.p. & group exec.; Thomas J. Busch, v.p. & group exec.; Alfred E. Clark, v.p. & group exec.; Stanley Demain, v.p. & group exec.; John T. Guyol, v.p. & pres., Bendix Forest Products Corporation; Paul F. Hartz, v.p. & pres., Fram Corporation; O. Lee Henry, v.p. & exec. v.p.-Automotive Group; Donald S. Jones, v.p. & pres., Heavy Equipment Group; George S. Knopf, v.p.-investor relations; Louis J. Lawrence, v.p.-Production Operations; James L. O'Brien, v.p.-international; John M. O'Hare, v.p.-industrial relations; Donald A. Proechel, v.p. & controller; Nancy C. Reynolds, v.p. -national affairs; E. Grogan Shelor, v.p. & group exec.; Donald G. Speyer, v.p.-management services; Bernard Winograd, treasurer.

Directors: William M. Agee, chairman of the board; Malcolm Baldrige, Wilbur J. Cohen, Harry B. Cunningham, Coy G. Eklund, John C. Fontaine, Paul F. Hartz, Jewel S. Lafontant, Paul S. Mirabito, Robert W. Purcell, William C. Purple, Donald H. Rumsfeld, Alan E. Schwartz, Jonathan L. Scott, Hugo E.R. Uyterhoeven.

Areas of Work: The Bendix Corporation is a worldwide manufacturer serving the automotive, aerospace-electronics, forest products and industrial-energy markets.

Automotive

Develops, manufactures and distributes a broad line of systems and components for use in automobiles, trucks, tractors and heavy industrial vehicles.

Principal products for passenger cars and light trucks are brake systems and components, including disc and drum brakes, friction materials, wheel and master cylinders, and power brake boosters; steering systems; and a variety of electronic and engine controls; and engine cooling fans and air cleaner assemblies. For heavy trucks and off-road vehicles. Bendix makes air braking systems and their components, foundation brakes, slack adjusters, brake actuators and air compressors and valves. Fram Corporation, a Bendix subsidiary, producesair, oil and fuel filters and windshield wiper blades. Autolite, another subsidiary, produces spark plugs for a broad range of motorized vehicles and powered equipment. Principal automotive operations are located in the U.S., Canada, Argentina, Australia, Brazil, Britain, France, Germany, Italy, Japan, Mexico, Spain and Venezuela with distribution and marketing facilities in many other countries.

Aerospace-Electronics

Bendix has expanded into a variety of high-technology aerospace-electronics operations involving the design, development, production, marketing and technical support of products and systems primarily related to general, commercial and military aviation and space exploration.

The principal products supplied by Bendix to the aviation industry include electric power generating, converting and control systems; wheels brakes and landing gear; fuel controls; electro-mechanical and hydraulic components; engine and flight instruments and controls; inertial guidance systems; high altitude breathing equipment; communications, navigation and identification equipment; ground and airborne radar systems; connectors, cables, ignition components, and test and checkout equipment.

Bendix is also deeply involved in space technology. Principal products and services include system for space communications, guidance and control of space vehicles; test and checkout equipment; field engineering, and management and operational support services for NASA's launch facility at the Kennedy Space Center and its network of space tracking stations throughout the world.

Bendix also manufactures missile systems and subsystems; equipment for use in the detection and monitoring of pollutants, medical and health equipment; oceanics products, such as submarine sonar systems, underwater position-fixing, ranging and telemetry equipment; devices for testing and analytical functions in industrial and laboratory applications, and meteorological instruments. Under contract to the U.S. Dept. of Energy, Bendix manages a plant at which non-nuclear electronic, mechanical and electro-mechanical parts for nuclear weapons are manufactured.

Forest Products

The Bendix forest products business comprises building materials and manufactured housing.

The building materials business is conducted through a wholly-owned subsidiary, Bendix Forest Products Corporation (BFPC), headquartered in San Francisco, California. BFPC is primarily engaged in the manufacture and distribution of building materials and other forest products for the construction, home remodeling, industrial, agricultural and related markets.

Principal products include lumber, plywood, particleboard, millwork, mouldings, unassembled furniture, wood and aluminum ladders, prefabricated redwood fencing, specialty wood products, cabinets, pre-finished paneling, wooden containers, and aluminum siding and accessories.

Industrial-Energy

Bendix manufactures automated capital equipment and perishable tools for the metalworking industry. Principal products in this area include precision inspection and measurement equipment, automated transfer machines, numerical control systems and perishable tools such as drills, taps, reamers, abrasive grains and grinding wheels.

Bendix' subsidiaries in energy-related activities are: Skagit Corporation, which provides mooring and winching equipment for offshore oil drilling rigs and hoists for the logging and construction industries; Texas Pipe Bending Co., which fabricates piping systems for the refining, petrochemical, powergenerating and paper and food processing industries; and United Geophysical Corporation, which provides services such as seismic surveys for oil and gas exploration and core drilling for mineral exploration.

Operating Units:

Bendix International
Bendix Center
Southfield, Michigan 48076
(313) 827-5000

Aerospace-Electronics Group (Headquarters)
The Bendix Corporation
1911 North Fort Myer Drive
Arlington, Virginia 22209
(703) 841-1200

Divisions and Subsidiaries:

Aerospace Systems Operations
1919 Green Road
Ann Arbor, Michigan 48107
(313) 665-7766

Aircraft Brake & Strut Division
P.O. Box 10
3520 W. Westmoor Street
South Bend, Indiana 46624
(219) 237-2100

Air Transport Avionics Division
P.O. Box 9414
Fort Lauderdale, Florida 33310
(305) 776-4100

Bendix Field Engineering Corporation
9250 Route 108
Columbia, Maryland 21045
(301) 730-3700

Bendix West Coast Aerospace
Support Operations
Burbank, California 91503
(213) 849-3961

Communications Division
East Joppa Road
Baltimore, Maryland 21204
(301) 823-2200

Continental Controls Corporation
11661 Sorrento Valley Road
San Diego, California 92121
(714) 453-5171

Courter, Inc.
375 North Lake Street
Boyne City, Michigan 49712
(616) 582-6526

Electrical Components Division
Delaware Avenue
Sidney, New York 13838
(607) 563-5011

Electric Power Division
Eatontown, New Jersey 07724
(201) 542-2000

Electrodynamics Division
11600 Sherman Way
North Hollywood, California 91605
(213) 765-1010

Energy Controls Division
717 North Bendix Drive
South Bend, Indiana 46620
(219) 237-2100

Engine Products Division
Delaware Avenue
Sidney, New York 13838
(607) 563-5011

Environmental & Process Instruments Division
P.O. Box 831
Lewisburg, West Virginia 24901
(304) 647-4358

Flight Systems Division
Teterboro, New Jersey 07608
(201) 288-2000

Fluid Power Division
211 Seward Avenue
Utica,New York 13503
(315) 797-2500

General Aviation Avionics Division
P.O. Box 9414
2100 N.W. 62nd Street
Fort Lauderdale, Florida 33310
(305) 776-4100

Guidance Systems Division
Teterboro, New Jersey 07608
(201) 288-2000

The Bendix Corporation

Instruments & Life Support Division
P.O. Box 4508
2734 Hickory Grove Road
Davenport, Iowa 52808
(319) 383-6000

Kansas City Division
P.O. Box 1159
2000 E. 95th Street
Kansas City, Missouri 64141
(816) 997-2000

Test Systems Division
Teterboro, N.J. 07608
(201) 288-2000

United Geophysical Corporation
2650 E. Foothill Blvd.
Pasadena, California 91109
(213) 449-4200

Automotive Group (Headquarters)
The Bendix Corporation
20650 Civic Center Div.
Southfield, Michigan 48037
(313) 827-5000

Aftermarket Division
901 Cleveland Street
Elyria, Ohio 44036
(216) 323-3151

Automotive Aftermarket Operations
Automotive Service Division
Fram Corporation
1094 Bendix Drive
Jackson, Tennessee 38301
(901) 423-1300

Automotive Control Systems Group
401 North Bendix Drive
P.O. Box 4001
South Bend, Indiana 46634
(219) 237-2100

Bendix Autolite Corporation
P.O. Box 880
Fostoria, Ohio 44830
(419) 435-6655

Bendix Trucking Services Division
20650 Civic Center Drive
Southfield, Michigan 48037
(313) 827-5000

Bicycle and Ignition Components Division
401 North Bendix Drive
P.O. Box 4001
South Bend, Indiana 46634
(219) 237-2100

Brake and Steering Division
401 North Bendix Drive
P.O. Box 4001
South Bend, Indiana 46634
(219) 237-2100

Diesel Engine Controls
21040 Greenfield Road, Suite # 100
Oak Park, Michigan 48237
(313) 967-2500

Electronic & Engine Control Systems Group
Advanced Products Division
900 W. Maple Road
P.O. Box 2602
Troy, Michigan 48084
(313) 362-1800

Electronics & Engine Control Systems Group
Engine Controls Division
615 Bland Boulevard
P.O. Box 2302
Newport News, Virginia 23602
(804) 877-8011

Engine Management & Controls Group
The Bendix Corporation
20650 Civic Center Drive
Southfield, Michigan 48037
(313) 827-5000

Fram Corporation (Headquarters)
105 Pawtucket Avenue
East Providence, Rhode Island 02916
(401) 434-7000

Fram Corporation
Automotive Division
105 Pawtucket Avenue
East Providence, Rhode Island 02916
(401) 434-7000

Friction Materials Division
P.O. Box 238
Troy, New York 12181
(518) 273-6550

Heavy Vehicle Systems Group
901 Cleveland Street
Elyria, Ohio 44036
(216) 323-3151

O.E.M. Division
901 Cleveland Street
Elyria, Ohio 44036
(216) 323-3151

Hydraulics Division
Red Arrow Highway
St. Joseph, Michigan 49085
(616) 429-3221

Toledo Stamping and Manufacturing Company
99 Fearing Blvd.
P.O. Box 596
Toledo, Ohio 43693
(419) 382-3407

Industrial Group
The Bendix Corporation
11000 Cedar Avenue
Cleveland, Ohio 44106
(216) 368-5000

Abrasives Division
61 Union Street
Westfield, Massachusetts 01085
(413) 568-9192

Automation & Measurement Division
P.O. Box 127
721 Springfield Street
Dayton, Ohio 45401
(513) 254-5377

Bendix Machine Tool Corporation
23655 Hoover Road
Warren, Michigan 48089
(313) 755-6000

Bendix Wind Power Products Company
P.O. Box 151
Sedro Woolley, Washington 98284
(313) 827-5027

G.A. Gray Company
3611 Woodburn Avenue
Cincinnati, Ohio 45407
(513) 961-6100

Heavy Equipment Group
20650 Civic Center Drive
Southfield, Michigan 48037
(313) 827-5000

Industrial Controls Division
12843 Greenfield Road
Detroit, Michigan 48227
(313) 272-3710

Industrial Group
20650 Civic Center Drive
Southfield, Michigan 48037
(313) 827-5000

Industrial Tools Division
100 Dearborn Street
South Beloit, Illinois 61080
(815) 389-2231

Midwest Machine & Tool Company
15593 Brookpark Road
Cleveland, Ohio 44142
(216) 267-0250

Texas Pipe Bending Company
P.O. Box 5188
2500 Galveston Road
Houston, Texas, 77012
(713) 643-0681

Warner & Swasey Company
11000 Cedar Avenue
Cleveland, Ohio 44106
(216) 368-5000

W/S Balas Division
1557 East 27th Street
Cleveland, Ohio 44114
(216) 368-5353

W/S Gradall Division
406 Mill Avenue, S.W.
New Philadelphia, Ohio 44663
(216) 339-2211

W/S Grinding Machine Division
145 Brooks Street
Worcester, Massachusetts 01606
(617) 852-0660

W/S Manchester Division
P.O. Box 2745
Akron, Ohio 44301
(216) 644-8853

W/S Research Division
28999 Aurora Road
Solon, Ohio 44139
(216) 368-6161

W/S Sterling Castings Division
P.O. Box 98
Erie Street
Welligton, Ohio 44090
(216) 647-3431

W/S Textile Machine Company
P.O. Drawer 815
Bessemer City, North Carolina 28016
(704) 629-4141

W/S Turning Machine Division
5701 Carnegie Avenue
Cleveland, Ohio 44103
(216) 368-5000

W/S Wiedemann Division
211 South Gulph Road
King of Prussia, Pennsylvania 19406
(215) 265-2000

Acquisition(s):

The Warner & Swasey Company (February 5, 1980)
11000 Cedar Avenue
Cleveland, Ohio 44106

Manufactures industrial machinery and equipment, consisting principally of machine tools and textile machinery.

Transfer Agent(s):

Manufacturers Hanover Trust
New York, New York

Office of The Bendix Corporation
Southfield, Michigan

Stock Exchange(s): New York, Midwest, Pacific, London

Ticker Symbol: BX

Number of Employees:

1980	78,500	1977	80,600
1979	73,700	1976	79,700
1978	76,000		

Plant Footage:

1980	21,800,000 sq.ft.	1977	20,800,000
1979	21,800,000	1976	20,200,000
1978	21,800,000		

Sales and Earnings

	Revenues +	Net Income
1980	$3,892,400,000	$ 191,600,000
1979	3,407,600,000	162,600,000
1978	3,221,900,000	129,600,000
1977	2,969,900,000	118,100,000
1976	2,684,200,000	104,700,000

	No. of Com. Shares	Earn. per Share †
1980	22,900,000	$7.68
1979	22,300,000	7.10
1978	22,200,000	5.74
1977	21,500,000	5.29
1976	21,000,000	4.74

+ Of continuing operations only.

† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1980	1979
Automotive	$ 1,998,800	$ 1,985,100
Aerospace-Electronics	1,280,200	1,089,400
Industrial-Energy	622,800	327,300
Sundry operations & intercompany eliminations	(40,100)	8,600
Total	$ 3,861,700	$ 3,410,400

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$2.84	—	—
1979	2.56	—	—
1978	2.28	—	—
1977	2.00	—	—
1976	1.66	—	4-for-3

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity ‡ (000's)	Equity Per Share
1980	$ 1,158,200	$50.49
1979	1,019,400	45.65
1978	913,000	41.08
1977	815,900	38.00
1976	727,700	34.66

‡ After allowing for preferred stock at liquidation values.

Income Account *
(000's)

Year ended Sept. 30	1980	1979
Net sales	$ 3,837,600	$ 3,382,800
Other income	54,800	24,800
Total income	$ 3,892,400	$ 3,407,600
Cost of sales	3,033,200	2,681,900
Expenses	540,800	457,400
Minority interest	8,400	6,500
Interest expense	88,400	53,200
Income before taxes	$ 221,600	$ 208,600
Income taxes	92,800	93,400
Eq. in earn. of nonconsol. cos.	(57,900)	(27,800)
Income-cont. oper.	$ 186,700	$ 143,000
Income-discont. oper.	4,900	19,600
Net Income	$ 191,600	$ 162,600

* Included in Costs and Expenses, Depreciation, and Amortization: $78,400,000 in 1980 and $62,600,000 in 1979.

Assets
(000's)

As of Sept. 30	1980	1979
Cash & marketable securities	$ 44,500	$ 46,300
Accts. receiv, net	648,200	484,200
*Inventories	889,600	692,500
Prepaid expenses	70,500	40,300
Current Assets	$ 1,652,800	$ 1,263,300
Investments	226,600	171,800
# Fixed assets	705,900	547,200
Assets of discont. oper.	203,000	186,300
Other assets	44,000	30,800
Intangibles	91,200	64,700
Total Assets	$ 2,923,500	$ 2,264,100

Liabilities
(000's)

Notes payable	$ 142,600	$ 117,300
Accts. & drafts payable	411,000	326,400
Accruals	382,000	312,700
Income taxes	24,400	47,800
Curr. Liabilities	$ 960,000	$ 804,200
Long-term debt	549,400	390,300
Minority interest	36,300	30,800
Deferred inc. taxes	37,000	3,200
+ Preferred stock:		
Series A $3	1,900	2,200
Series B 9¾%	168,900	—
+ + Common stock	115,100	112,100
Add. paid-in capital	46,700	30,900
Retained earnings	1,012,000	894,200
Treasury stock	(3,800)	(3,800)
Total Liabilities & Shareholders' Equity	$ 2,923,500	$ 2,264,100

* At lower of cost or market (replacement cost or net realizable value). For 75% of inventories, cost is determined by FIFO or average methods. Remainder at LIFO.

# Less accumulated depreciation.

+ No par value; cumulative convertible.

+ + $5 par value.

Statistical Summary

%Net Income to Equity	14.29	15.70
Sales to Inventories	4.31	4.88
Working Capital	$ 692,800,000	$ 459,100,000
Current Ratio	1.72	1.57
Shareholders' Equity	$1,340,800,000	$1,035,600,000

Bio-Rad Laboratories, Inc.

2200 Wright Avenue
Richmond, California 94804
(415) 234-4130

Officers: David Schwartz, president; James Bennett, v.p.; Howard Foster, secretary; Warren R. Howell, Burton A. Zabin, asst. secretaries; Norman Schwartz, treasurer.

Directors: James J. Bennett, Howard Foster, Albert J. Hillman, Philip L. Padou, Alice N. Schwartz, David Schwartz, Burton A. Zabin.

Areas of Work: Engaged in the development, manufacture and marketing of products used for the analysis and separations of complex chemical mixtures into their individual components and to provide qualitative and quantitative information on each component. Products are used in a broad range of applications including research, manufacturing process and quality control and in the clinical and medical diagnosis of organic and metabolic disturbances in humans. The company also publishes spectral reference data used in research and industry.

Divisions and Subsidiaries:

Block Research and Engineering Division
Cambridge, Massachusetts

Chemical Division
Richmond, California

Clinical Division
Richmond, California

Diagnostic System Division
Richmond, California

Digilab Division
Cambridge, Massachusetts

Environmental Chemical Specialties Division
Anaheim, California

Sadtler Research Laboratories Division
Philadelphia, Pennsylvania

Bio-Rad Laboratories, Ges.m.b H.
Vienna, Austria

Bio-Rad Laboratories
Brussels, Belgium

Bio-Rad Laboratories (Canada) Ltd.
Mississauga, Canada

Bio-Rad Laboratories Ltd.
Watford, England

Bio-Rad Laboratories B.V.
Alphen/Rhine, Holland

Bio-Rad Laboratories S.R.L.
Milan, Italy

Bio-Rad Laboratories AG
Zurich, Switzerland

Bio-Rad Laboratories GmbH
Munich, West Germany

Bio-Rad Laboratories Pty., Limited
Sydney, Australia

Bio-Rad Laboratories (Japan) K.K.
Tokyo, Japan

Transfer Agent(s):

Crocker National Bank
P.O. Box 38005
San Francisco, California 94138

Stock Exchange(s): American

Ticker Symbol: BIO

Number of Employees:

1980 700

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 46,085	$ 1,863
1979	39,386	1,817
1978	26,160	1,118
1977	17,061	935
1976	13,338	662

	No. of Com. Shares ‡	Earn. per Share ‡
1980	2,724,500	$0.68
1979	2,446,600	0.74
1978	2,422,800	0.46
1977	2,337,600	0.40
1976	2,331,000	0.30

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend and stock splits.

Revenues By Line of Business

	1980	1979
Chemical products	$ 14,945,000	$ 11,936,000
Chemical products	12,347,000	10,358,000
Instrumentation products	12,652,000	13,082,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	100%	—
1979	—	—	5-for-4
1978	—	—	5-for-4
1977	—	—	5-for-4
1976	—	—	5-for-4

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 13,676,000	$5.02
1979	7,831,000	3.20

1978	5,933,000	2.45
1977	4,728,000	2.02
1976	2,895,000	1.24

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend and stock splits.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 46,085,000	$ 39,386,000
Cost of sales	19,651,000	16,979,000
Expenses	21,986,000	18,143,000
Interest expense	1,796,000	1,092,000
Invest. income	(267,000)	—
Other income	(77,000)	(94,000)
Income before taxes	$ 2,996,000	$ 3,266,000
Income taxes	1,133,000	1,449,000
Net Income	$ 1,863,000	$ 1,817,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,150,000 in 1980 and $972,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 3,766,000	$ 548,000
Accts. receiv., net	9,351,000	8,734,000
* Inventories	9,665,000	8,255,000
Other assets	502,000	529,000
Current Assets	$ 23,284,000	$ 18,066,000
# Fixed assets	6,642,000	5,702,000
Market securities	6,693,000	—
Other assets	1,070,000	637,000
Total Assets	$ 37,689,000	$ 24,405,000

Liabilities

Notes payable & long-term debt. curr.	$ 731,000	$ 1,505,000
Accts. payable	3,071,000	2,724,000
Income taxes	56,000	886,000
Other liabilities	3,731,000	3,075,000
Curr. Liabilities	$ 7,589,000	$ 8,190,000
Long-term debt	15,536,000	7,281,000
Unrealized tax benefit	—	323,000
Deferred inc. taxes	888,000	780,000
+ Common stock	2,831,000	2,498,000
Add. paid-in capital	4,263,000	738,000
Retained earnings	6,582,000	4,853,000
Treasury stock	—	(258,000)
Total Liabilities & Shareholders' Equity	$ 37,689,000	$ 24,405,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.50	8.29
%Net Income to Sales	4.04	4.61
%Net Income to Equity	13.62	23.20
Sales to Inventories	4.77	4.77
Working Capital	$ 15,695,000	$ 9,876,000
Current Ratio	3.07	2.21
Shareholders' Equity	$ 13,676,000	$ 7,831,000

The Birtcher Corporation

4501 North Arden Drive
El Monte, California 91731
(213) 575-8144

Officers: Ernest V. Jarvis, chairman of the board & president; Francis J. Kelly, Jr., exec. v.p.; Eugene P. Lamb, v.p.-int'l. marketing; George W. Koenig, v.p.-finance & secretary-treasurer; Philip R.A. Hardaker, v.p.-sales & marketing; Jack J. Kroulek, v.p.-dir. of operations; Hyrum T. Jarvis, asst. treasurer; Ernest V. Jarvis, Jr., asst. secretary.

Directors: Hymen P. Chalmers, Ernest V. Jarvis, Alfred C Ingersoll, Hyrum T. Jarvis, Francis J. Kelly, Jr., John P. Preston.

Areas of Work: Develops and manufactures medical electronic instruments and electronic hardware.

Divisions:

Industrial Products
Makes and sells guides, racks and retainers for printed circuit boards in a variety of configurations, primarily for the computer industry and manufactures automatic screw machine products.

Medical Products
Manufactures and distributes medical electronic instruments for cardiac monitoring, surgery and physical therapy.

Transfer Agent(s):

Security Pacific National Bank
P.O. Box 30376 Terminal Annex
Los Angeles, California 90030

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BIRT (NASDAQ)

Number of Employees:

1980	261	1977	227
1979	232	1976	201
1978	239		

Plant Footage:

1980	106,000 sq. ft.	1977	106,000
1979	106,000	1976	70,000
1978	106,000		

Sales and Earnings

	Revenues	Net Income ‡
1980	$ 9,671,754	$ 598,018
1979	7,428,621	467,983
1978	7,205,682	200,296
1977	6,018,848	83,023
1976	5,703,013	242,267

	No. of Com. Shares	Earn. per Share‡#
1980	1,959,278	$0.31
1979	1,768,048	0.26
1978	1,746,160	0.11
1977	1,722,191	0.05
1976	1,722,191	0.14

‡ Including extraordinary gains of $103,000 ($0.06 per share) in 1979, $80,000 ($0.04 per share) in 1978, $28,000 ($0.02 per share) in 1977 and $104,000 ($0.06 per share) in 1976.
# Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1980	1979
Medical elec.	$ 5,602,000	$ 4,111,000
Industrial elec.	4,070,000	3,318,000
Total	$ 9,672,000	$ 7,429,000

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 3,358,065	$1.71
1979	2,516,732	1.42
1978	2,000,573	1.14
1977	1,780,711	1.03
1976	1,697,688	0.99

Income Account *

Year ended Dec. 31	1980	1979
Revenues	$ 9,671,754	$ 7,428,621
Cost of sales	5,366,940	4,320,073
Expenses	3,208,038	2,482,815
Inerest expense	118,758	121,750
Income before taxes	$ 978,018	$ 503,983
Income taxes	380,000	139,000
Net Income	$ 598,018	$ 364,983
Extraord. gain	—	103,000
Net Income & extraord. gain	$ 598,018	$ 467,983

* Included in Costs and Expenses, Depreciation and Amortization: $129,682 in 1980 and $145,703 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 148,083	$ 206,354
Accts. receiv., net	1,689,174	1,250,511
*Inventories	2,390,415	2,114,664
Prepaid expenses	105,747	77,240
Current Assets	$ 4,333,419	$ 3,648,769
#Fixed assets	638,760	542,606
Prepaid taxes	213,594	85,000
Other assets	28,265	31,785
Total Assets	$ 5,214,038	$ 4,308,160

Liabilities

Notes payable	$ 113,775	$ 388,775
Long-term debt, curr.	156,965	422,737
Accts. payable	303,827	242,174
Accrued payroll	306,686	267,553
Other liabilities	10,227	12,816
Income taxes	389,426	83,000
Curr. Liabilities	$ 1,280,956	$ 1,417,055
Long-term debt	472,081	249,667
Deferred compensation	102,936	124,706
+ Capital stock	1,959,278	1,768,048
Add. paid-in capital	1,250,956	1,198,871
Retained earnings (deficit)	147,831	(450,187)
Total Liabilities & Shareholders' Equity	$ 5,214,038	$ 4,308,160

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	10.11	6.78
%Net Income to Revenues	6.18	4.91
%Net Income to Equity	17.81	14.50
Working Capital	$ 3,052,463	$ 2,231,714
Current Ratio	3.38	2.57
Shareholders' Equity	$ 3,358,065	$ 2,516,732

Bishop Graphics, Inc.

5388 Sterling Center Drive
P.O. Box 5007
Westlake Village, California 91359
(213) 991-2600

Officers: Martin J. Salvin, president; William M. Leider, exec. v.p. & chief operations officer; Lloyd Blonder, v.p.-finance, treasurer; Robert Meisterling, v.p.-advertising & sales promotion; Jerald C. Murphy, v.p.-marketing; Rubin M. Turner, secretary; Marguerite E. Devereaux, asst. secretary; Gordon L. Almquist, asst. treasurer.

Directors: Martin J. Salvin, chairman; Robert H. Besbeck, David J. Cohen, Richard B. Leng, Rubin M. Turner.

Areas of Work: Manufactures and markets pressure-sensitive electronic component drafting aids and other precision-printed and/or specially-processed products and allied services for the various engineering and graphics disciplines. Also operates three retail outlets in California which sell drafting equipment.

Divisions and Subsidiaries:

Accupress
9434 Mason Avenue
Chatsworth, California 91311

Bishop Graphics Drafting Supply Centers:
17891 Sky Park Boulevard
Irvine, California 92714

10645 Vanowen Street
North Hollywood, California 91605

835 Stewart Drive
Sunnyvale, California 94086

Bishop DISC
Westlake Village, California

Acquisition(s):

Danatron Corporation (August 1, 1980)
Costa Mesa, California

Manufactures a line of precision digital electronic measuring devices that combine the technologies of digital electronics optics and microprocessors, for the machine tool industries.

Transfer Agent(s):

City National Bank
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BGPH (NASDAQ)

Number of Employees:

1980	220	1978	168
1979	220		

Plant Footage:

1980	96,700 sq. ft.	1978	81,700
1979	96,700		

Sales and Earnings

	Net Sales	Net Income#
1980	$ 9,869,000	$ 480,000
1979	9,347,000	367,000
1978	7,450,000	270,000
1977	5,334,287	361,172
1976	4,067,282	201,332

	No. of Com. Shares +	Earn. per Share# +
1980	1,011,692	$0.47
1979	1,008,933	0.36
1978	988.868	0.27
1977	968,756	0.37
1976	968,756	0.21

# Including extraordinary gain of $52,845 ($0.05 per share) in 1977.

+ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	10%	—
1978	—	—	—
1977	—	10%	—
1976	—	5%	—

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 2,573,000	$2.54
1979	2,058,000	2.04
1978	1,677,000	1,70
1977	1,376,210	1.42
1976	1,015,038	1.05

+ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 9,869,000	$ 9,347,000
Cost of sales	5,017,000	4,944,000
Expenses	4,161,000	3,731,000
Gain on sale	(93,000)	—
Income before taxes	$ 784,000	$ 672,000
Income taxes	304,000	305,000
Net Income	$ 480,000	$ 367,000

* Included in Costs and Expenses, Depreciation and Amortization: $195,000 in 1980 and $206,000 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 316,000	$ 274,000
Acct. receiv., net	1,333,000	1,389,000
Notes receiv., curr.	56,000	—
*Inventories	1,720,000	1,909,000
Prepaid expenses	100,000	201,000
Current Assets	$ 3,525,000	$ 3,773,000
#Fixed assets	803,000	1,234,000
Notes receiv.	59,000	—
Other assets	28,000	27,000
Total Assets	$ 4,415,000	$ 5,034,000

Liabilities

Notes payable	$ —	$ 425,000
Long-term debt, curr.	225,000	256,000
Accts. payable	418,000	817,000
Accruals	97,000	128,000
Accrued payroll	171,000	131,000
Emp. benefit plan	48,000	—
Income taxes	46,000	169,000
Curr. Liabilities	$ 1,005,000	$ 1,926,000
Long-term debt	514,000	768,000
Deferred inc. taxes	323,000	282,000
+ Common stock	10,000	9,000
Add. paid-in capital	781,000	747,000
Retained earnings	1,782,000	1,302,000
Total Liabilities & Shareholders' Equity	$ 4,415,000	$ 5,034,000

* At lower of cost (FIFO or average) or market.

# Less accumulated depreciation.

+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.94	7.19
%Net Income to Sales	4.86	3.93
%Net Income to Equity	18.66	17.83
Sales to Inventories	5.74	4.90
Working Capital	$ 2,520,000	$ 1,847,000
Current Ratio	3.51	1.96
Shareholders' Equity	$ 2,573,000	$ 2,058,000

The Boeing Company

P.O. Box 3707
7755 East Marginal Way South
Seattle, Washington 98108
(206) 656-2121

Officers: T.A. Wilson, chairman of the board & chief executive officer; M.T. Stamper, president; H.W. Haynes, exec. v.p. & chief financial officer; W.M. Maulden, Clyde Skeen, sr. v.p.'s; R.B. Light, v.p.-Washington, D.C. Office; S.M. Little, v.p.-industrial & public relations; E.H. Boullioun, v.p.-president, Boeing Commercial Airplane Company; R.W. Tharrington, v.p.-president, Boeing Computer Services, Inc; D.P. Beighle, v.p.-contracts; J.E. Steiner, v.p.-corporate product development; R.W. Welch, v.p. & exec. v.p.-Boeing Commercial Airplane Co.; R.R. Albrecht, v.p.-general counsel & secretary; J.B.L. Pierce, treasurer.

Directors: T.A. Wilson, chairman; H.W. Haynes, Charles M. Pigott, D.E. Skinner, Malcolm T. Stamper, George H. Weyerhaeuser, Harold J. Haynes, Rene C. McPherson, Lee L. Morgan, William M. Batten, David Packard, Stanley Hiller, Jr.

Areas of Work: The company is involved in missile and space-oriented activities as well as the manufacture of military and commercial helicopters and aircraft, hydrofoil craft and associated products.

Divisions and Subsidiaries:

Seattle Services Division
Seattle, Washington

Boeing Aerospace Company
Kent, Washington

Boeing Commercial Airplane Company
Renton, Washington

Boeing Vertol Company
Philadelphia, Pennsylvania

Boeing Military Airplane Company
Wichita, Kansas

Boeing Computer Services Company
Kent, Washington
Morristown, New Jersey

Boeing Engineering and Construction Company
Tukwila, Washington

Boeing Marine Systems
Renton, Washington

Transfer Agent(s):

First National Bank of Boston
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s): New York, Midwest, Pacific, London, Switzerland

* Listed and/or traded.

Ticker Symbol: BA

Number of Employees:

1980	106,300	1977	66,900
1979	98,300	1976	65,400
1978	81,200		

Plant Footage: (Inc. leased and govt. owned floor area; in million square feet)

1980	43.1	1977	33.9
1979	39.6	1976	33.3
1978	36.8		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 9,426,200	$ 600,500
1979	8,131,000	505,400
1978	5,463,000	322,900
1977	4,018,800	180,300
1976	3,918,535	102,895

	No. of Com. Shares ‡	Earn. per Share ‡
1980	96,340,509	$6.23
1979	96,213,882	5.25
1978	96,014,277	3.36
1977	95,788,694	1.88
1976	95,479,277	1.08

‡ Based on the average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

	1980	1979
Transportation equipment & related services	$ 8,587,800	$ 7,199,400
Missiles/space & miscellaneous	508,900	667,100
Other industries	430,800	338,700
Corp. income	258,600	250,800
Total	$ 9,786,100	$ 8,456,000

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1980	$1.40	—	3-for-2
1979	1.40	—	3-for-2

1978	0.87	—	—
1977	0.38	—	2-for-1
1976	0.28	—	—

† Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity (000's)	Equity Per Share †
1980	$ 2,314,800	$24.02
1979	1,847,500	19.19
1978	1,473,600	15.34
1977	1,231,300	12.84
1976	1,084,826	11.35

† Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 9,426,200	$ 8,131,000
Other income	359,900	325,000
Total income	$ 9,786,100	$ 8,456,000
Cost of sales & exp.	8,759,900	7,572,900
Interest & debt exp	11,100	7,600
Income before taxes	$ 1,015,000	$ 875,500
Income taxes	414,600	370,100
Net Income	$ 600,500	$ 505,400

* Included in Costs and Expenses, Depreciation: $206,000,000 in 1980 and $132,900,000 in 1979.

Assets
(000's)

As of Dec. 31.	1980	1979
Cash & cert of deposit	$ 1,074,400	$ 1,985,600
Short-term investments	540,900	314,300
Accts. receiv., net	466,700	508,300
Long-term customer financing, curr.	33,600	30,100
Inventories	1,984,600	786,800
Current Assets	$ 4,100,200	$ 3,625,100
Long-term customer financing	277,400	208,000
# Fixed assets	1,504,600	1,030,600
Investments & other assets	49,100	33,500
Total Assets	$ 5,931,300	$ 4,987,200

Liabilities
(000's)

Long-term debt, curr.	$ 13,900	$ 13,800
Accts. payable & accruals	2,015,200	1,590,500
Advs. & prog. billings in exc. of costs	428,700	534,200
Income taxes	670,700	612,400
Curr. Liabilities	$ 3,128,500	$ 2,750,900
Long-term debt.	76,200	80,700
Deferred invest. credit	151,500	91,700
Deferred inc. taxes	260,300	126,400
+ Common stock	830,600	666,700
Retained earnings	1,488,900	1,185,900
Treasury stock	(4,700)	(5,100)
Total Liabilities & Shareholders' Equity	$ 5,931,300	$ 4,897,200

Less accumulated depreciation.
+ $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.77	10.77
%Net Income to Sales	6.37	6.22
%Net Income to Equity	25.94	27.36
Sales tc Inventories	4.75	10.33
Working Capital	$971,700,000	$874,200,000
Current Ratio	1.31	1.32
Shareholders' Equity	$2,314,800,000	$1,847,500,000

Bolt Beranek and Newman Inc.

10 Moulton Street
Cambridge, Massachusetts 02238
(617) 491-1850

Officers: Samuel Labate, chairman of the board; Stephen R. Levy, president & chief executive officer; Harry R. Kirsch, sr. v.p.-finance & chief financial officer; Salvatore P. Luciano, vice president-corporate services; Michael Nacey, vice president-personnel; Michael P. LaVigna, v.p.-business development; Edward R. Santoro, treasurer & clerk; Bruce D. Glabe, controller.

Directors: Leo L. Beranek, Samuel Labate Robert B. Newman, H. Gardner Bradlee, Stephen R. Levy, Richard H. Bolt, Andrew L. Nichols.

Areas of Work: Engaged in consulting, research, and product development and production in the fields of acoustics technology, geophysical and energy studies, and computer technology. Produces instruments and systems for measuring, monitoring, and reducing noise and vibration. Develops time sharing systems for diverse applications; develops specialized computer hardware and software. Produces electronic equipment for linking different makes of computers together to form data communications networks.

Divisions:

Architectural Technologies Division
Environmental and Noise Control Technologies Division
Underwater Technologies Division
Information Sciences Division
Computer Systems Division

Subsidiaries:

BBN-Instruments Corporation
BBN-Computer Corporation

All at:

10 Moulton Street
Cambridge, Massachusetts 02138
(617) 491-1850

1701 N. Fort Myer Drive
Arlington, Virginia 22209

21120 Vanowen Street
Canoga Park, California 91303

3605 Rosecrans Place
San Diego, California 92110

Union Station
New London, Connecticut 06320

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): American

Ticker Symbol: BBN

Number of Employees:

1980	1,173	1977	728
1979	929	1976	676
1978	816		

Plant Footage:

1979	459,010 sq. ft.	1977	273,600
1978	273,600	1976	309,000

Sales and Earnings

	Net Sales ‡	Net Income
1980	$ 46,902,600	$ 2,871,500
1979	37,708,800	10,090,100
1978	30,185,200	(397,100)
1977	26,573,200	(918,700)
1976	23,025,000	(297,000)

	No. of Com. Shares +	Earn. per Share +
1980	1,399,975	$2.05
1979	1,343,568	7.51
1978	1,251,188	—
1977	1,247,966	—
1976	1,218,051	—

(Loss)
‡ Of continuing operations only.
+ Based on the weighted average number of common shares and common share equivalens oustanding.

Revenues By Line of Business

	1980	1979
Consulting, research, develop.:		
Computer tech.	$ 22,370,600	$ 18,647,700
Acoustics tech.	16,949,000	14,944,000
Products	7,582,100	4,117,100
Total	$ 46,902,600	$ 37,708,800

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.40	—	—
1979	0.30	—	—
1978	0.20	—	—
1977	0.20	—	—
1976	0.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 21,251,400	$15.18
1979	18,332,700	13.64
1978	8,580,700	6.86
1977	7,027,300	5.63
1976	8,121,300	6.67

+ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 46,902,600	$ 37,708,800
Operating costs & expenses	34,433,600	27,947,200
Expenses	7,425,100	5,328,300
Depreciation & amortization	1,938,400	1,563,000
Interest expense	914,800	473,800
Interest income	(198,500)	(252,000)
Other income	(1,415,000)	(62,000)
Gain on dispos. of invest	—	(12,183,500)
Equity in loss of Telenet Corp.	—	1,495,900
Gain on dispos.	(38,300)	—
Income before taxes	$ 3,842,500	$ 13,398,100
Income taxes	971,000	3,308,000
Net Income	$ 2,871,500	$ 10,090,100

Assets

As of June 30	1980	1979
Cash	$ 1,359,700	$ 1,401,200
Accts. receiv., net	14,255,900	9,725,000
Other curr. assets	1,064,900	669,900
Refundable income taxes	304,300	1,621,900
*Inventories	2,097,700	551,500
Current Assets	$ 19,082,500	$ 13,969,500
Investments	14,184,700	13,859,600
# Fixed assets	10,881,000	6,143,800
Defer. charges	50,300	30,200
Total Assets	$ 44,198,500	$ 34,003,100

Liabilities

Accts. payable	$ 2,083,100	$ 962,400
Oblig. under cap. leases	633,800	546,600
Long term debt. curr.	53,900	48,700
Dividends payable	266,900	259,000
Other liabilities	1,614,000	1,174,900
Deferred taxes	5,067,100	4,175,800
Curr. Liabilities	$ 9,718,800	$ 7,167,400
Long-term debt	7,969,400	4,023,300
Deferred inc. taxes	3,302,000	3,018,000
Oblig under cap. leases	1,956,900	1,461,700
+ Common stock	1,334,400	5,225,600
Add. paid-in capital	4,247,600	—
Retained earnings	15,669,400	13,331,600
Unrealized loss on long-term invest.	—	(224,500)
Total Liabilties & Shareholders' Equity	$ 44,198,500	$ 34,003,100

*At lower of cost (FIFO or average) or market.
# Less accumulated depreciation and amortization.
+ $1 par value in 1980; no par value in 1979.

Statistical Summary

%Income bef. Taxes to Sales	8.19	35.53
%Net Income to Sales	6.12	26.76
%Net Income to Equity	13.51	55.04
Sales to Inventories	22.36	68.37
Working Capital	$ 9,363,700	$ 6,802,100
Current Ratio	1.96	1.95
Shareholders' Equity	$ 21,251,400	$ 18,322,700

Boonton Electronics Corporation

499 Pomeroy Road
P.O. Box 122
Parsippany, New Jersey 07054
(201) 887-5110

Officers: Jack Frucht, president; John M. Young, Raymond E. Lafferty, vice presidents; Kalju Kaepa, secretary & treasurer.

Directors: Jack Frucht, John H. Mennie, John M. Young, Otto H. York.

Areas of Work: Designs and manufactures electronic measuring instruments for use in the laboratory and on production lines of manufacturers of electronic components and equipment. These instruments include rf voltmeters, microwave power meters, signal generators, modulation meters, admittance bridges, and capacitance and inductance meters and bridges.

Subsidiary:

Boonton International Sales Corporation (DISC) Parsippany, New Jersey.

Transfer Agent(s):

Chemical Bank
Corporate Trust Department
P.O.Box 25965
Church Street Station
New York, New York 10249

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BOON (NASDAQ)

Number of Employees:

1979	168	1977	180
1978	171	1976	140

Plant Footage:

1979	41,900 sq. ft.	1977	38,400
1978	41,900	1976	38,400

Sales and Earnings

	Net Sales ‡	Net Income
1980	$ 7,815,377	$ 324,154
1979	8,538,850	577,019
1978	8,218,631	861,174
1977	6,338,632	432,320
1976	4,823,581	245,014

	No. of Com. Shares †	Earn. per Share +
1980	698,286	$0.46
1979	698,286	0.83
1978	698,286	1.23
1977	698,286	0.62
1976	698,286	0.35

‡ Includes other income.
+ Based on average number of shares outstanding adjusted to reflect stock dividends.
† Adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.15	—	—
1979	0.25	10%	—
1978	0.25	10%	—
1977	0.10	10%	—
1976	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share#
1980	$ 4,005,856	$5.74
1979	3,786,445	5.42
1978	3,371,078	4.83
1977	2,657,768	3.81
1976	2,278,891	3.26

# Adjusted to reflect stock dividends.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 7,815,377	$ 8,538,850
Cost of sales	4,502,968	4,842,375
Expenses	2,625,853	2,549,485
Oper. profit	$ 687,556	$ 1,146,990
Other charges	124,331	90,619
Other income	—	(2,368)
Income before taxes	$ 563,225	$ 1,058,739
Income taxes	239,071	481,720
Net Income	$ 324,154	$ 577,019

* Included in Costs and Expenses, Depreciation: $133,836 in 1980 and $120,266 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 229,038	$ 249,381
Accts. receiv. net	1,252,730	1,378,734
Other receiv.	1,058	16,058
*Inventories	2,823,545	2,629,424
Prepaid expenses	77,839	75,789
Current Assets	$ 4,384,210	$ 4,349,386
# Fixed assets	673,418	697,726
Other assets	150,388	141,525
Total Assets	$ 5,208,016	$ 5,188,637

Liabilities

Notes payable	$ 600,000	$ 600,000
Accts. payable	218,940	347,479
Accruals	287,768	282,662
Accts. receiv.-credit balance	112	53
Income taxes	4,750	81,408
Curr. Liabilities	$ 1,111,570	$ 1,311,602
Long-term debt	90,590	90,590
# Common stock	69,829	69,829
Add. paid-in capital	1,945,004	1,945,004
Retained earnings	1,991,023	1,771,612
Total Liabilities & Shareholders' Equity	$ 5,208,016	$ 5,188,637

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.21	12.40
%Net Income to Sales	4.15	6.76
%Net Income to Equity	8.09	15.24
Sales to Inventories	2.77	3.25
Working Capital	$ 3,272,640	$ 3,037,784
Current Ratio	3.94	3.32
Shareholders' Equity	$ 4,005,856	$ 3,786,445

Boston Digital Corporation

86 South Street
Hopkinton, Massachusetts 01748
(617) 435-6871

Officers: Thomas D. Linn, president; Ara Aykanian, executive & marketing v.p. & treasurer; Simon Queen, clerk; Stanley Leven, asst. clerk.

Directors: Ara Aykanian, H. Joseph Gerber, Thomas D. Linn, Stanley Leven, David J. Logan, Simon Queen.

Areas of Work: Develops, manufactures and markets computer numerically controller machining systems.

BostoMatic International Corporation Hopkinton, Massachusetts

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BOST (NASDAQ)

Number of Employees:

1980	200	1978	100
1979	130	1977	85

Plant Footage:

1980	55,000 sq. ft.	1978	30,000
1979	35,000	1977	30,000

Sales and Earnings

	Net Sales	Net Income
1980	$ 15,201,121	$ 1,299,059
1979	9,012,554	649,492
1978	6,672,791	513,913
1977	4,379,802	184,440
1976	3,936,795	(44,188)

	No. of Com. Shares#	Earn. per Share#
1980	2,442,055	$0.53
1979	2,314,674	0.28
1978	2,305,518	0.22
1977	2,304,684	0.08
1976	2,304,684	—

(Loss)
# Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	3-for-1
1979	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share#
1980	$ 3,773,393	$1.55
1979	2,474,334	1.07
1978	1,821,981	0.79

# Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended April 30	1980	1979
Net sales	$ 15,201,121	$ 9,012,554
Cost of sales	10,191,288	5,914,438
Expenses	2,407,185	1,801,931
Oper. profit	$ 2,602,648	$ 1,296,185
Interest expense	223,785	114,126
Gain on sale	(132,117)	(78,274)
Income before taxes	$ 2,510,980	$ 1,260,333
Income taxes	1,211,921	610,841
Net Income	$ 1,299,059	$ 649,492

* Included in Costs and Expenses, Depreciation and Amortization: $141,031 in 1980 and $122,385 in 1979.

Assets

As of April 30	1980	1979
Cash	$ 94,856	$ 68,770
Accts. receiv., net	3,122,899	2,094,655
*Inventories	3,672,474	1,919,469
Prepaid expenses	174,409	22,556
Current Assets	$ 7,064,638	$ 4,105,450
#Fixed assets	670,284	530,785
Other assets	37,456	30,417
Total Assets	$ 7,772,378	$ 4,666,652

Liabilities

	1980	1979
Long-term debt, curr.	$ 19,721	$ 35,816
Oblig. under cap. leases, curr.	28,574	7,620
Accts. payable	1,279,474	527,689
Accrued payroll	308,302	202,830
Accruals	258,783	243,185
Income taxes	571,956	108,686
Cust. deposits	24,750	—
Curr. Liabilities	$ 2,491,560	$ 1,125,826
Long-term debt	1,250,000	919,721
Oblig. under cap. leases	32,525	21,871
Deferred inc. taxes	224,900	124,900
+Common stock	232,137	77,379
Add. paid-in capital	329,566	484,324
Retained earnings	3,211,690	1,912,631
Total Liabilities & Shareholders' Equity	$ 7,772,378	$ 4,666,652

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	16.52	13.98
%Net Income to Sales	8.55	7.21
%Net Income to Equity	34.43	26.25
Sales to Inventories	4.14	4.70
Working Capital	$ 4,573,078	$ 2,979,624
Current Ratio	2.84	3.65
Shareholders' Equity	$ 3,773,393	$ 2,474,334

Bowmar Instrument Corporation

850 Lawrence Drive
Newbury Park, California 91320
(805) 498-2161

Officers: William M. Crilly, president & chief executive officer; Lawrence A. Coulter, v.p.-finance & chief financial officer; Gene E. Beimforde, v.p.-corp. development; Edward A. White, Charles S. Krakauer, v.p.'s; Peter S. Olson, treasurer; Stanley J. Moss, secretary.

Directors: Edward A. White, J. Davidge Warfield, William M. Crilly, Harry Rex Land, Jr., James C. Marlas, Fred N. Gerard, John H. Shaffer, Dan L. McGurk.

Areas of Work: Manufactures data communications products, including telephone signal converters, multifunction generators and data acquisition equipment. Also manufactures electronic communications test equipment, infrared cooking ovens, electromechanical digital displays, keyboards and thermal printers for use in industrial and medical instrumentation applications, and electromechanical components and packages, including rotating devices (gearheads, motors and motor generators), synchros, mechanical counters, resolvers, dial drives, mechanical packages, precision potentiometers, and other related devices.

Divisions:

Bowmar Instrument Aerospace Division
8000 Bluffton Road
Fort Wayne, Indiana 46809

Bowmar Commercial Products Division
4640 126th Avenue, North
Clearwater, Florida 33520

Subsidiaries:

Bowmar/ALI, Inc.
531 Main Street
Acton, Massachusetts 01720
(617) 263-8365

Harowe Servo Controls, Inc.
Westtown Road at West Chester Pike
West Chester, Pennsylvania 19380

Bowmar/TIC, Inc.
850 Lawrence Drive
Newbury Park, California 91320
(805) 498-2161

Bowmar Instrument Limited
43/45 High Street
Weybridge, Surrey, KT 138 BB England

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
New York, New York

Peoples Trust Bank
Fort Wayne, Indiana

Stock Exchange(s): American

Ticker Symbol: BOM

Number of Employees:

1980	1,320	1977	515
1979	1,153	1976	462
1978	516		

Plant Footage:

1980	280,000 sq. ft.	1977	172,000
1979	280,000	1976	283,200
1978	172,000		

Sales and Earnings

	Net Sales +	Net Income ‡
1980	$ 38,857,000	$ 926,000
1979	29,409,000	983,000
1978	16,577,000	728,000
1977	13,107,000	827,000
1976	12,801,000	(173,000)

	No. of Com. Shares #	Earn. per Share ‡#
1980	8,020,511	$0.12
1979	7,998,362	0.12
1978	7,995,543	0.09
1977	4,997,232	0.17
1976	1,998,952	—

(Loss)
+ Of continuing operations only.
‡ Including extraordinary gains of $78,000 ($0.02 per share) in 1977 and $493,000 in 1976.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1980 (000's)	%	1979 (000's)	%
Electronics	$ 7,972	20.5%	$ 8,080	27.5%
Electromechanical	30,885	79.5	21,329	72.5
Total	$ 38,857	100.0%	$ 29,409	100.0%

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 9,557,000	$1.19
1979	7,871,000	0.98
1978	4,473,000	0.56
1977	3,200,000	0.40

Income Account *
(000's)

Year ended Sept. 30	1980	1979
Net sales	$ 38,857	$ 29,409
Cost of sales	27,843	20,336
Expenses	8,646	6,627
Interest income	(199)	(83)
Interest expense	1,331	772
Other income	(433)	(168)
Income before taxes	$ 1,669	$ 1,925
Income taxes	743	942
Net Income	$ 926	$ 983

* Included in Costs and Expenses, Depreciation and Amortization: $566,000 in 1980 and $481,000 in 1979.

Assets
(000's)

As of Sept. 30	1980	1979
Cash	$ 808	$ 1,522
Receiv., net	6,989	6,488
*Inventories	9,949	7,544
Prepaid expenses	618	283
Current Assets	$ 18,364	$ 15,837
#Fixed Assets	4,257	3,992
Other assets	216	152
Total Assets	$ 22,837	$ 19,981

Liabilities
(000's)

	1980	1979
Loan payable	$ 2,380	$ 200
Long-term debt, curr.	635	616
Accts. payable	2,238	1,131
Accruals	2,112	2,102
Income taxes	143	198
Curr. Liabilities	$ 7,508	$ 4,247
Long-term debt	4,935	7,863
Deferred gain	837	—
+ Common stock	823	860
Add. paid-in capital	5,455	4,698
Retained earnings	3,299	2,373
Treasury stock	(20)	(60)
Total Liabilities & Shareholders' Equity	$ 22,837	$ 19,981

* At lower of cost (principally moving average) or market.
# Less accumulated depreciation and amortization.
+ $0.10 stated value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	4.30	6.55
%Net Income to Sales	2.38	3.34
%Net Income to Equity	9.69	12.49
Sales to Inventories	3.91	3.90
Working Capital	$ 10,856,000	$ 11,590,000
Current Ratio	2.45	3.73
Shareholders' Equity	$ 9,557,000	$ 7,871,000

Buck Engineering Co., Inc.

Farmingdale, New Jersey 07727
(201) 681-6200

Officers: David T. Buck, chairman of the board; Peter M. Schluter, president & chief executive officer; David Berdan, vice president-operations; Charles H. Bond, secretary & treasurer; Julius J. Denzler, Emilie R. Buck, Shirley L. Barrett, assistant secretaries.

Directors: David Berdan, Raymond A. Bowers, David T. Buck, Emilie R. Buck, Peter M. Schluter, H. Daniel Harris, Garrett B. Hunter, E.A. Savinelli.

Areas of Work: Primarily manufactures and markets educational equipment and knowledge transfer systems used in teaching electronics, mechanical and electric power technology in industrial training facilities and vocational, technical and multi-level schools and colleges. Also designs, manufactures and markets engine analysis equipment for the transportation and related energy industries.

Divisions and Subsidiaries:

Lab-Volt Systems
P.O. Box 686
Farmingdale, New Jersey 07727
(201) 681-6200

Lab-Volt International
P.O. Box 686
Farmingdale, New Jersey 07727
(201) 681-6200

Lab-Volt Limited
5368 Thirteenth Avenue
P.O. Box 279-Rosemont Station
Montreal, Quebec, Canada H1X 2XB
(514) 725-9552

Lab-Volt (Quebec) Limited
2120 Lavoisier Street
Ste. Foy, Quebec, Canada G1N 4B1
(418) 681-6346

Go-Power Corporation
1890 Embarcadero Road
Palo Alto, California 94303
(415) 328-7676

Graymark International, Inc.
1751 McGaw
Irvine, California 92714
(714) 540-5480

Electronics Institute
5605 Troost Avenue
Kansas City, Missouri 64110
(816) 361-5656

Acquisition(s):

Technical Systems, Inc.
St. Paul, Minnesota
Manufactures fluid power training systems.

Transfer Agent(s):

Registrar & Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BUCK (NASDAQ)

Number of Employees:

1980	278	1977	223
1979	246	1976	215
1978	264		

Sales and Earnings

	Net Sales	Net Income
1980	$ 15,798,113	$ 518,367
1979	13,102,265	479,005
1978	12,414,412	426,800
1977	9,682,697	103,212
1976	9,221,036	311,164

	No. of Com. Shares#	Earn. per Share#
1980	691,738	$0.75
1979	865,790	0.55
1978	865,483	0.49
1977	865,000	0.12
1976	870,839	0.36

# Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 4,765,655	$6.92
1979	4,236,559	6.19†
1978	4,822,209	5.57
1977	4,389,749	5.07
1976	4,286,067	4.92

‡ Based on the weighted average number of shares outstanding.
† After redemption of 21% of outstanding stock in December 1979.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 15,798,113	$ 13,102,265
Cost of sales	8,822,086	7,432,835
Expenses	5,704,410	4,755,415
Other income	(70,109)	(85,845)
Inerest expense	419,476	228,972
Write-down of cost	11,883	11,883
Income before taxes	$ 910,367	$ 759,005
Income taxes	392,000	280,000
Net Income	$ 518,367	$ 479,005

* Included in Costs and Expenses, Depreciation: $160,655 in 1980 and $143,616 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 362,840	$ 368,584
Accts. receiv., net	5,119,140	3,463,824
*Inventories	3,918,923	2,929,691
Prepaid expenses	98,262	142,660
Current Assets	$ 9,499,165	$ 6,904,759
#Fixed assets	1,583,886	1,535,385
Other assets	1,203,147	1,228,474
Total Assets	$ 12,286,198	$ 9,668,618

Liabilities

Short-term borrowings	$ 801,483	$ —
Long-term debt, curr.	266,379	232,682
Pay. to redeem. stockholders	—	493,295
Accts. payable & accruals	2,912,205	1,392,239
Accrued inc. taxes	319,376	46,378
Curr. Liabilities	$ 4,299,443	$ 2,164,594
Long-term debt	2,970,789	3,000,736
Deferred inc. taxes	250,311	266,729
+Common stock	705,438	701,848
Add. paid-in capital	1,254,294	1,247,155
Retained earnings	2,861,437	2,343,070
Treasury stock	(55,514)	(55,514)
Total Liabilities & Shareholders' Equity	$ 12,286,198	$ 9,668,618

* At lower of cost (principally LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.76	5.79
%Net Income to Sales	3.28	3.66
%Net Income to Equity	10.88	11.31
Sales to Inventories	4.03	4.47
Workin Capital	$ 5,199,722	$ 4,740,165
Current Ratio	2.21	3.19
Shareholders' Equity	$ 4,765,655	$ 4,236,559

Buckbee-Mears Company

1150 American National Bank Building
St. Paul, Minnesota 55101
(612) 228-6510

Officers: Norman C. Mears, chairman of the board; Everett F. Carter, president & chief executive officer; Arthur P. Witt, vice president and treasurer; Arthur Ead, asst. to the president; John S. Kratz, Carl A. Bergmann, Lewis H. Coronis, vice presidents; Wood R. Foster, secretary; Edward F. Mackay, controller; Harris Ravine, asst. secretary.

Directors: Norman C. Mears, Everett F. Carter, Elwood E. Mears, William E. Ayer, Donald G.McNeely, Robert W. Fischer, Charles S. Strauch, Burton N. Noah, Joseph Rose.

Areas of Work: Manufactures and sells products in two principal industries; Ophthalmic Products-lenses for eye glasses; Precision Components-small metal and glass precision parts, flexible circuitry and printing masks for the electronics and TV industries.

Divisions and Subsidiaries:

Buckbee-Mears Co., - Micro Division
245 East Sixth Street
Saint Paul, Minnesota 55101
(612) 228-6371

Buckbee-Mears Europe-GmbH
7840 Mullheim/Baden
Renkenrunsstrasse
Postfach 102
Germany

Buckbee-Mears Precision Stamping, Inc.
1818 Touhy Avenue
Elk Grove Village, Illinois 60007
(612) 439-7580

Industrial Reproductions, Inc.
100 Notheastern Boulevard
P.O. Box 888
Nashua, New Hampshire 03060

The Vision-Ease Corporation
St. Cloud Industrial Park
P.O. Pox 968
St. Cloud, Minnesota 56301
(612) 251-8782

BH Elctronic, Inc.
Saint Paul, Minnesota 55101

BH Electronics, Inc.
604 Michigan Road
P.O. Box 525
Marshall, Minnesota 56258

Buckbee-Mears Export Corporation
Saint Paul, Minnsota 55101

Visinn-Ease Canada, Ltd.
Toronto, Canada

Buckbee-Mears Singapore Pte. Ltd.
Singapore

Nippon Vision-Ease
Tokyo, Japan

Transfer Agent(s):

First Trust Company of St. Paul
First National Bank Building
St. Paul, Minnesota 55501

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BBEE (NASDAQ)

Number of Employees:

1980	1,600	1977	1,425
1979	1,700	1976	1,585
1978	1,563		

Sales and Earnings

	Revenues +	Net Income
1980	$ 85,638,000	$ 2,042,000
1979	75,101,000	4,339,000

1978	64,131,000	2,605,000
1977	61,961,000	1,653,000
1976	55,970,186	(304,810)

	No. of Com. Shares ‡	Earn. per Share ‡
1980	3,090,000	$0.66
1979	3,072,000	1.41
1978	3,066,000	0.85
1977	3,068,000	0.54
1976	3,068,000	—

(Loss)
+ Of continuing operations only.
‡ Based on the average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Ophthalmic prod.	$ 29,451	$ 20,910
Precision comp.	55,999	54,082
Other	188	109
Total	$ 85,638	$ 75,101

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.30	—	—
1979	0.22	—	—
1978	0.15	—	—
1977	—	—	—
1976	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 32,800,000	$10.72
1979	31,970,000	10.39
1978	28,260,000	9.22
1977	26,114,000	8.52
1976	24,477,687	7.98

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 84,855	$ 74,000
Other income	783	1,101
Total income	$ 85,638	$ 75,101
Cost of sales	71,645	60,036
Expenses	7,309	6,669
Interest expense	1,494	837
Other charges	1,835	301
Income before taxes	$ 3,355	$ 7,258
Income taxes	1,313	2,919
Net Income	$ 2,042	$ 4,339

* Included in Costs and Expenses, Depreciation; $4,453,000 in 1980 and $3,825,000 in 1979.

Assets
(000's)

as of Dec. 31	1980	1979
Cash	$ 483	$ 792
Accts. receiv., net	13,608	13,437
* Inventories	15,997	15,997
Prepaid expenses	455	274
Refund. inc. taxes	1,006	900
Current Assets	$ 31,549	$ 31,400
# Fixed assets	20,373	21,593
Other assets	203	252
Total Assets	$ 52,125	$ 53,245

Liabilities
(000's)

Notes payable	$ 6,620	$ 4,915
Long-term debt, curr.	977	2,496
Accts. payable	3,989	4,147
Accruals	2,778	2,779
Accrued payroll	1,471	2,277
Income taxes	606	617
Curr. Liabilities	$ 16,441	$ 17,231
Long-term debt	1,297	2,638
Other liabilities	246	309
Unfunded pension	806	697
Deferred inc. taxes	535	400
+ Common stock	341	341
Add. paid-in capital	6,389	6,928
Retained earnings	31,735	30,619
Treasury stock	(5,665)	(5,918)
Total Liabilities & Shareholders' Equity	$ 52,125	$ 53,245

* At lower of cost (domestic inventories at LIFO; all others at average) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.95	9.81
%Net Income to Sales	2.41	5.86
%Net Income to Equity	6.23	13.57
Sales to Inventories	5.30	4.63
Working Capital	$ 15,108,000	$ 14,169,000
Current Ratio	1.92	1.82
Shareholders' Equity	$ 32,800,000	$ 31,970,000

Bulova Watch Company, Inc.

(90.5% owned by Loews Corporation)

Bulova Park
75-20 Astoria Boulevard
Jackson Heights, New York 11370
(212) 335-6000

Officers: Harry B. Henshel, chairman of the board; Andrew H. Tisch, president; David Holman, v.p.-merchandising; John J. Carpenter, v.p.-research engineering & quality control; Lawrence F. Codraro, v.p., secretary & general counsel; George Foreman, v.p.-advertising; Jerry Josephson, v.p.-sales; James S. Waterwash, v.p.-manufacturing; Paul S. Sayegh, v.p. & controller.

Directors: Harry B. Henshel, Herbert C. Hofmann, Andrew H. Tisch, Laurence A. Tisch, Preston R. Tisch.

Areas of Work: Manufactures and sells, throughout the world, watches and clocks for consumer use and sells power cells and watch parts to the trade. Also sells nonconsumer products for defense and industrial use, including timing and similar devices.

Divisions:

Consumer Products-Domestic

Technical Sales & Services

Consumer Products-International

Industrial/Defense Divisions:
  Systems and Instruments
  Providence Division

Subsidiaries:
Atlantic Time Products Corporation
Bulova Watch Company Limited
Bulova Watch, S.p.A.
Bulova France, S.A.
Bulova Systems & Instruments Corporation

Transfer Agent(s):
Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BVA

Number of Employees:

1980	3,900	1977	5,600
1979	4,200	1976	6,500
1978	4,550		

Plant Footage:

1980	1,266,850 sq. ft.	1977	1,180,000
1979	1,266,850	1976	1,180,000
1978	1,266,850		

Sales and Earnings

	Net Sales	Net Income †
12/31/80	$188,545,000	$ (8,704,000)
12/31/79*	162,198,000	1,071,000
3/31/79	215,115,000	7,349,000
3/31/78	203,088,000	(15,456,000)
3/31/77	207,504,000	(6,987,000)

	No. of Com. Shares ‡	Earn. per Share ‡ †
12/31/80	3,921,000	$ —
12/31/79*	3,775,000	0.28
3/31/79	3,766,500	1.95
3/31/78	3,765,000	—
3/31/77	3,761,000	—

(Loss)
* 9 months.
‡ Based on the weighted average number of shares outstanding.
† Including extraordinary gains of $128,000 in 1980, $101,000 ($0.02 per share) in the nine months ended Dec. 31, 1979, and $2,552,000 ($0.68 per share) in the year ended Mar. 31, 1979.

Revenues By Line of Business
(000's)

	12/31/80	12/31/79
Consumer	$ 153,787	$ 131,495
Industrial & defense	34,758	30,703
Total	$ 188,545	$ 162,198

Common Stock Equity

	Total Equity	Equity Per Share‡
12/31/80	$ 43,648,000	$11.13
12/31/79	48,312,000	12.80
3/31/79	41,710,000	11.08
3/31/78	34,303,000	9.11
3/31/77	49,754,000	13.23

‡ Based on the weighted average number of shares outstanding.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 188,545	$ 162,198
Cost of sales	148,510	118,581
Expenses	45,329	40,348
Other income	(4,154)	(3,461)
Foreign currency translation gains	(4)	(28)
Interest expense	4,133	5,041
Interest to affiliates	2,803	—
Gain from asset disposition	(1,918)	(547)
Income (loss) before taxes	$ (6,154)	$ 2,264
Income taxes	2,678	1,294
Net Income (Loss)	$ (8,832)	$ 970
Extraord. gain	128	101
Net Income (Loss) & extraord. gain	$ (8,704)	$ 1,071

* Included in Costs and Expenses, Depreciation: $1,353,000 in 1980 and $1,017,000 in nine months ended Dec. 31, 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 4,898	$ 10,265
Receivables	68,147	72,752

*Inventories	73,924	63,654
Prepaid expenses	487	530
Current Assets	$ 147,456	$ 147,201
#Fixed assets	10,787	11,614
Other assets	1,094	1,485
Total Assets	$ 159,337	$ 160,300
Liabilities (000's)		
Notes payable	$ 5,974	$ 9,404
Long-term debt, curr.	2,472	2,476
Accts. payable	9,883	10,762
Accruals	9,118	12,018
Accrued payroll	3,411	4,537
Contract progress collections	3,608	576
Income taxes	3,159	559
Curr. Liabilities	$ 37,625	$ 40,332
Long-term debt:		
8% Serial notes	18,451	20,736
4% Conv. subord. deb.	401	536
6% Conv. subord. deb	11,573	15,639
Mortg. payable	5,579	4,246
Other liabilities	2,710	1,999
Debt to affiliate	39,350	28,500
+ Common stock	20,146	19,602
Add. paid-in capital	13,710	10,214
Retained earnings	9,797	18,501
Treasury stock	(5)	(5)
Total Liabilities & Shareholders' Equity	$ 159,337	$ 160,300

* At lower of cost (FIFO), replacement market or net realizable value.
# Less accumulated depreciation.
+ $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	1.40
%Net Income to Sales	—	0.60
%Net Income to Equity	—	2.01
Sales to Inventories	2.55	2.55
Working Capital	$ 109,831,000	$ 106,869,000
Current Ratio	3.92	3.65
Shareholders' Equity	$ 43,648,000	$ 48,312,000

Bunker Ramo Corporation

900 Commerce Drive
Oak Brook, Illinois 60521
(312) 986-2700

Officers: Duane L. Burnham, president & chief executive officer; Frank C. Casillas, John R. Coutts, Herman R. Staudt, Francis J. Cunningham, David E. Parry, William E. Van Dyke, Allen Warfield, Jr., Harvard Y. Weatherbee, A. Dale Scarbrough, Patrick J. Forde, vice presidents; David A. Fewkes, v.p., general counsel & secretary; Stanley J. Aris, v.p. & controller; Charles Walsh, v.p.-finance & chief financial officer; Forrest N. Fugate, Diane C. LaFauce, asst. secretaries; Eugene P. Seifert, v.p. & treasurer.

Directors: George M. Bunker, Howard M. Holtzmann, George S. Trimble, Edmund A. Stephan, Joseph E. Muckley, Robert R. Gilruth, Delmar W. Karger, Edward G. Uhl, James R. Dempsey, Roger Lewis, John E.D. Grunow, Thomas H. Moorer, Duane L. Burnham.

Areas of Work: Engaged in the development, manufacture and sale or lease of electronic and electrical connector components and assemblies, custom designed data communication systems and services, knitted deep pile fabrics.

Divisions and Subsidiaries:

Amphenol North America
900 Commerce Drive
Oak Brook, Illinois 60521
(312) 986-2700

Electrical and electronic connectors and interconnection devices used as components in business equipment, consumer, instrumentation, federal technology and telephony applications. Includes fiber optics, NHF and sub-miniature areas, sockets, plugs, cable assemblies, adapters and coaxial switches.

Connector Operations
2801 South 25th Avenue
Broadview, Illinois 60153
(312) 345-9000

1830 South 54th Street
Cicero, Illinois 60650
(312) 652-1220

1500 East Club Boulevard
Durham, North Carolina 27704
(919) 688-6361

6401 N.W. Sheridan Street
Hollywood, Florida 33024
(305) 981-2100

33 East Franklin Street
Danbury, Connecticut 06810
(203) 743-9272

9201 Independence Avenue
Chatsworth, California 91311
(213) 341-0710

20 Valley Street
Endicott, New York 13760
(607) 754-4444

Bunker Ramo Canada, Inc.
44 Metropolitan Road
Scarborough, Ontario, Canada
(416) 291-4401

Highway 17
Renfrew, Ontario, Canada
(613) 432-5855

International Division
900 Commerce Drive
Oak Brook, Illinois 60521
(312) 986-2700

Involves electrical and electronic connectors and other products used in RF, telephony, data processing, transportation, government and other applications. Also includes terminal blocks, knobs, dials, switches and integrated circuit sockets, plus sales of various related products from other producers.

Amphenol Limited
Thanet Way, Tankerton
Whitstable, Kent CT5 3JF, England

7517 Eppingen
Eppingen, West Germany

7100 Heilbronn/Neckar
Heibronn/Neckar, West Germany

Amphetronix Limited (affiliate)
105 Bhosari Industrial Area
Poona, 411026, India

Dai-Ichi Denshi Kogyo K.K. (affiliate)
Ogawa Bldg. 18-1, 1 Chome
Nishi-Shinjuku,
Shinjuku-Ku
Tokyo, Japan 160

14 Matsyama-Cho, Mooka
Tochigi Pref.
Mooka, Japan 321-43

Usine Metallurgique Doloise
(21, Chemin du Defois)
Avenue de Gray (21, Chemin du Defois)
39100 Dole, France

Electronic Systems Division
31717 La Tienda Drive
Westlake Village, California 91360
(213) 889-2211

Research development, design, production and integrated logistic support of electronic intelligence systems, ocean surveillance systems, military data management systems and the manufacture of microwave solid state components and subsystems.

Information Systems Divison
35 Nutmeg Drive
Trumbull Industrial Park
Trumbull, Connecticut 06609
(203) 377-4141

Information systems for banks, thrift institutions, the brokerage community and other industries. Producer of first brokerage information system nearly 50 years ago. Serving more than 3,000 brokerage offices and one-line banking systems for 3,000 financial institutions.

Bunker Ramo EDS GmbH
D68000 Munich 81
Arabellastr. 30
West Germany

Bunker Ramo EDS GmbH
Thurgauer Str. 76
8050 Zurich
Switzerland

Borg Textile Corporation
900 Commerce Drive
Oak Brook, Illinois 60521
(312) 986-2700

Delavan Plant
902 Wisconsin Street
Delavan, Wisconsin 53115
(414) 728-9151

Wisconsin Operations
218 Wisconsin Drive
Jefferson, Wisconsin 53549
(414) 674-3200

Georgia Operations
Via Chattanooga, Box 697
Rossville, Georgia 30741
(404) 866-1743

E.C. Boughton Furs
Willow Brook
205 Green Bay Road
Thiensville, Wisconsin 53072
(414) 242-2500

Borg Textile Ltd. (Canada)
Box 10
Elmira, Ontario, Canada N3B 2Z8

Borg-Textiles, Ltd.
Thanet Way, Tankerton
Whitstable, Kent, 53 1F, England

Acquisitions:

B&W Associates
Burlington, Massachusetts

Produces specialty semi-precision, sub-miniature coaxial connectors and high-performance microwave cable assemblies.

Transfer Agent(s):

Chemical Bank
55 Water Street
New York, New York 10041

Harris Trust & Savings Bank
111 West Monroe Street
Chicago, Illinois 60690

Bank of America
55 Hawthorne Street
San Francisco, California 94105

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: BR

Number of Employees:

1980	9,400	1977	9,500
1979	9,800	1976	9,500
1978	9,900		

Sales and Earnings

	Revenues	Net Income †
1980	$ 467,559,000	$ 27,179,000
1979	426,185,000	23,304,000

Bunker Ramo Corporation

1978	383,152,000	18,816,000
1977	341,212,000	10,340,000
1976	316,428,000	9,048,000

	No. of Com. Shares ‡	Earn. per Share ‡ †
1980	6,432,000	$4.23
1979	6,392,000	3.65
1978	6,348,000	2.96
1977	6,305,000	1.64
1976	5,644,000	1.18

(Loss)

‡ Including extraordinary gain of $1,680,000 ($0.30 per share) in 1976.

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1980 (000's)	%	1979 (000's)	%
Electrical & electronic components	$ 265,588	57%	$ 236,714	55%
Electronic infor. systems	146,688	31	135,876	32
Knitted deep-pile fabrics	55,283	12	53,595	13
Total	$ 467,559	100%	$ 426,185	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.20	—	—
1979	0.84	—	—
1978	0.50	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1980	$ 163,690,000	$25.45
1979	141,013,000	22.06
1978	122,900,000	19.36
1977	107,695,000	17.08
1976	93,050,000	16.49

‡ After allowing for preferred stock at involuntary liquidation value of $25 per share.

† Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net revenues	$ 467,559	$ 426,185
Cost of sales & services	340,878	311,970
Expenses	75,736	74,025
Minority interest	(789)	(360)
Interest expense	10,635	8,008
Other income	(1,280)	(762)
Income before taxes	$ 42,379	$ 33,304
Income taxes	15,200	10,000
Net Income	$ 27,179	$ 23,304

* Included in Costs and Expenses, Depreciation: $20,307,000 in 1980 and $18,511,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 6,425	$ 12,833
Receiv., net	67,622	70,232
Future tax benefit	3,531	4,937
*Inventories	125,866	108,310
Other assets	2,402	2,322
Current Assets	$ 205,846	$ 198,634
Investments	3,695	2,965
#Fixed assets	124,198	108,574
Total Assets	$ 333,739	$ 310,173

Liabilities

Notes payable	$ 16,349	$ 16,926
Long-term debt, curr.	4,345	6,612
Accts. payable	21,305	18,600
Accruals	14,656	12,561
Accrued payroll	12,727	11,032
Income taxes	4,781	6,202
Other taxes	2,794	3,618
Curr. Liabilities	$ 76,957	$ 75,551
Long-term debt	64,887	66,905
Other liabilities	4,009	3,340
Deferred inc. taxes	11,060	7,333
+ Preferred stock	13,136	16,031
+ + Common stock	3,515	3,424
Add. paid-in capital	57,604	54,378
Retained earnings	102,571	83,211
Total Liabilities & Shareholders' Equity	$ 333,739	$ 310,173

* At lower of cost (FIFO) or market.

# Less accumulated depreciation and amortization.

+ No par value. $25 stated value; $1.50 cumulative convertible.

+ + No par value. $0.60 stated value.

Statistical Summary

%Income bef. Taxes to Revenues	9.06	7.81
%Net Income to Revenues	5.81	5.47
%Net Income to Equity	15.37	14.84
Working Capital	$ 128,889,000	$ 123,083,000
Current Ratio	2.67	2.63
Shareholders' Equity	$ 176,826,000	$ 157,044,000

Bunting SteriSystems, Inc.

46 Beatrice Street
P.O. Box 4114
Bridgeport, Connecticut 06607
(203) 384-0081

Officers: Lee Bunting, chairman of the board, chief exec. officer and president; Brose Bunting, vice president; John P Trianovich, acting treasurer; Dorothy DeFerari, secretary.

Directors: Lee Bunting, chairman; Brose Bunting, James T. Ragan, Joseph V.Quarles, John R. Moore.

Areas of Work: Engaged in the assembling and marketing, through distributors and direct sales personnel, of various audio, visual and video electronic communications systems and television viewing systems for use in hospitals. A subsidiary, Midwest International, Inc. assembles and places coin operated television chairs in mass transportation terminals.

Subsidiaries:

RanDom TeleCommunications, Inc.
46 Beatrice Street
Bridgeport, Connecticut 06607

Midwest International, Inc.
650 Wilmington Avenue
Salt Lake City, Utah 84106

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	136	1977	100
1979	115	1976	119
1978	115		

Plant Footage:

1980	22,000 sq. ft.	1977	22,000
1979	22,000	1976	22,000
1978	22,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 6,513,448	$ 146,374
1979	5,727,546	177,519
1978	3,737,455	84,720
1977	3,751,175	164,386
1976	3,740,404	106,663

	No. of Com. Shares	Earn. per Share †
1980	685,100	$0.21
1979	685,100	0.26
1978	685,000	0.12
1977	685,000	0.24
1976	685,000	0.16

† Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 3,076,751	$4.49
1979	2,930,377	4.28
1978	2,752,783	4.02
1977	2,668,063	3.89
1976	2,503,677	3.66

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 6,513,448	$ 5,727,546
Other income	1,997,894	1,977,836
Total Income	$ 8,511,342	$ 7,705,382
Cost of sales	6,609,163	5,589,242
Expense	1,507,034	1,730,089
Interest expense	171,750	177,863
Income before taxes	$ 223,395	$ 208,188
Income taxes	77,021	30,669
Net Income	$ 146,374	$ 177,519

* Included in Cost and Expenses, Depreciation and Amorization: $223,509 in 1980 and $201,573 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 166,964	$ 30,598
Cert. of deposit	500,000	—
Accts. receiv., net	3,010,786	1,283,590
* Inventories	2,645,725	2,511,646
Prepaid expenses	87,532	68,882
Refund. inc. taxes	12,183	—
Current Assets	$ 6,423,190	$ 3,894,716
Installment accts. receiv.	296,061	590,868
# Fixed assets	927,240	1,033,480
Other assets	11,001	13,718
Equip. leased to others	33,316	45,288
Total Assets	$ 7,690,808	$ 5,578,070

Liabilities

Notes payable	$ —	$ 667,600
Long-term debt, curr.	39,081	259,352
Accrued customs fees	396,000	300,000
Accts. payable	1,071,471	767,945
Accrued commissions	413,791	282,033
Income taxes	—	32,408
Deferred inc. taxes	50,919	32,448
Billings in exc. of cost	2,316,642	—
Curr. Liabilities	$ 4,287,904	$ 2,341,786
Long-term debt	15,258	29,006
Cap. lease oblig.	106,674	113,712
Deferred inc. taxes	204,221	163,189
+ Common stock	6,851	6,851
Add. paid-in capital	1,905,901	1,905,901
Retained earnings	1,163,999	1,071,625
Total Liabilities & Shareholders' Equity	$ 7,690,808	$ 5,578,070

* At lower of cost (FIFO) or market.

# Less accumulated depreciation and amortization.

+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Total Income	2.62	2.70
%Net Income to Total Income	1.72	2.30
%Net Income to Equity	4.76	6.06

Working Captial	$ 2,135,286	$ 1,552,930
Current Ratio	1.50	1.66
Shareholders' Equity	$ 3,076,751	$ 2,930,377

Burndy Corporation

Richards Avenue
Norwalk, Connecticut 06856
(203) 838-4444

Officers: David Dibner, chairman of the board; Richard C. Farley, president; George M. Szabad, sr. v.p. & secretary; James J. Hennessy, corporate v.p.-power marketing; F. Jack Miller, v.p.-marketing, TERMAC; Anthony F. Thomas, v.p. & gen. mgr., TERMAC; Steve Hobar, v.p.-operations; Ted York, v.p. & gen. mgr.-Power Div.; Ramon V. Nicholl, v.p.-management systems & services; William A. Pfau, v.p. & controller; Frederick H. McLenaghan, v.p.; Henry P. Dupre, v.p.-engineering, Power Group; W. Robert Holloway, v.p.-marketing, Components Group; Donald F. Keating, v.p.-personnel & industrial relations; Michael Lazar, v.p.-new power development, Components Group; Howard Pedersen, vorp. v.p. & chief financial officer; Thomas H. Pluff, v.p.-mktg., Power Group; Alan H. Peltz, treasurer; Ernest Fanwick, general counsel.

Directors: David Dibner, chairman; Richard M. Hexter, George M. Szabad, Carlyle F. Barnes, John P. Horgan, Hal A. Kroeger, J.E. Goldman, Richard C. Farley, Billy C. Christensen.

Areas of Work: Manufactures a wide range of connectors, terminators, cable support systems, installation tooling and related products.

Subsidiaries:

Husky Products, Inc.
Florence, Kentucky

The Berco Manufacturing Co.
Waterbury, Connecticut

Burndy Canada Ltd.
Scarborough, Ontario, Canada

Burndy Electra N.V.
Antvon Spinoystraat, 8
Mechelen, Belgium

BICC-Burndy Limited (affiliate)
St. Helens, Lancs, England

Burndy do Brasil Conetores Ltda.
Estrada do Guarapirange, 2,400
Caixa Postal 30806
Sao Paulo 1, Brazil

Burndy Mexico, S.A. de C.V.
Calle del Rio No. 12
Naucalpan de Juarez
Estado de Mexico

Burndy-Japan Ltd. (affiliate)
9th Floor, T.O.C. Bldg.
22-17, 7-chome Nishigotanda
Sinagawa-Ku, Tokyo-141
Japan

Burndy Electra SpA
Stada del Francese 137
C.P. 130 Ferrovia
10100, Torino, Italy

Burndy Espanol
Calle Vilamari 81
Barcelona 15, Spain

Burndy S.A.
39-41 rue Amilcar Cipriani
93-St. Ouen, France

Burndy Elektro GmbH
Max Langstrasse 56
7022 Leinfelden-Stuttgart
Germany

Burndy Electra A.G.
Hertistrasse 23
8304 Wallisellen
Switzerland

Burndy Svenska A/B
61101 Nykoping
Stockholm, Sweden

Burndy Nederland N.V.
Delftsevaart 26
Rotterdam, Netherlands

Transfer Agent(s):

Citibank, N.A.
111 Wall Street
New York, New York 10043

Ticker Symbol: BDC

Number of Employees:

1980	4,529	1977	4,226
1979	5,133	1976	4,204
1978	4,676		

Sales and Earnings

	Net Sales	Net Income
1980	$253,703,000	$ 24,211,000
1979	229,818,000	21,444,000
1978	180,604,000	15,384,000
1977	155,146,000	12,444,000
1976	130,952,000	10,159,000

	No. of Com. Shares +	Earn. per Share #
1980	6,265,000	$3.86
1979	6,231,000	3.44
1978	6,257,000	2.46
1977	6,328,000	1.97
1976	6,325,000	1.61

+ Based on the average number of shares outstanding adjusted to reflect stock split.
# Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$1.08	—	—
1979	0.94	—	—
1978	0.76	—	—
1977	0.66	—	—
1976	0.59	—	3-for-2

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$119,355,000	$19.05
1979	100,856,000	16.19
1978	85,775,000	13.73
1977	76,358,000	12.11
1976	69,001,000	10.88

+ Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$253,703,000	$229,818,000
Cost of sales	146,684,000	134,397,000
Expenses	57,609,000	54,085,000
Interest expense	5,927,000	4,354,000
Income before taxes	$ 43,483,000	$ 36,982,000
Income taxes	20,583,000	17,475,000
Minority interest	(1,311,000)	(1,937,000)
Net Income	$ 24,211,000	$ 21,444,000

* Included in Costs and Expenses, Depreciation and Amortization: $7,488,000 in 1980 and $6,493,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 17,457,000	$ 13,098,000
Accts. receiv., net	47,058,000	47,294,000
*Inventories	61,113,000	61,093,000
Prepaid expenses	1,073,000	913,000
Current Assets	$126,701,000	$122,398,000
Investments	8,433,000	7,264,000
#Fixed assets	54,587,000	50,928,000
Other assets	4,842,000	2,093,000
Intangibles	718,000	758,000
Total Assets	$195,281,000	$183,441,000

Liabilities

Notes payable	$ 16,179,000	$ 18,089,000
Long-term debt curr.	2,362,000	2,629,000
Accts. payable & accruals	21,182,000	27,359,000
Accrued payroll	7,093,000	7,213,000
Income taxes	3,405,000	7,520,000
Curr. Liabilities	$ 50,221,000	$ 62,810,000
Long-term debt	20,790,000	14,983,000
Deferred inc. taxes	3,808,000	3,721,000
Deferred retirement	1,107,000	1,071,000
+ Common stock	6,568,000	6,568,000
Add. paid-in capital	11,250,000	10,855,000
Retained earnings	106,881,000	89,437,000
Treasury stock	(5,344,000)	(6,004,000)
Total Liabilities & Shareholders' Equity	$195,281,000	$183,441,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	17.14	16.09
%Net Income to Sales	9.54	9.33
%Net Income to Equity	20.28	21.26
Sales to Inventories	4.15	3.76
Working Capital	$ 76,480,000	$ 59,588,000
Current Ratio	2.52	1.95
Shareholders' Equity	$119,355,000	$100,856,000

Burroughs Corporation

Burroughs Place
Detroit, Michigan 48232
(313) 972-7000

Officers: Paul S. Mirabito, chairman of the board & chief executive officer; DuRay E. Stromback, president & chief operating officer; James A. McCullough, vice chairman of the board; Donald E. Young, executive v.p.-diversified products; Eugene F. Smith, sr. v.p.-finance; Robert S. Barton, v.p.-research; Paul R. Bunton, v.p.-Northeast Region, marketing, business machines group; William P. Conlin, v.p. & group executive, int'l group; Gordon A. Curry, v.p.-Western Region marketing, business machines group; George M. DuGan, v.p. & group executive, peripheral products group; A. Finley France, v.p.-procurement; Jean L. Frenais, v.p. & gen. mgr., Pacific/Canada Div., int'l group; Walter Hanstein, v.p. & exec., small systems group; George R. Johnson, v.p.-field engineering & marketing technical support; Robert R. Johnson, v.p.-advanced technology; Stanley Jones, v.p.-employee and industrial relations; J. Paul Leebrick, Jr., v.p.-government relations; Eric V. McGlone, v.p. & general manager, Europe-Africa Div., int'l group; Fred R. Meier, v.p. & group executive business machines group; Eugene L. Merlino, Jr., v.p.-manufacturing; Robert D. Merrell, v.p. & group executive, computer systems group; Kenneth L. Miller, v.p. & secretary; Robert J. O'Connell, v.p. & group executive, federal and special systems group; John W. O'Leary, v.p. & group executive, office products group; Charles W. Peace, Jr., v.p.-Eastern Region, marketing, business machines group; Ben L. Rouse, v.p.-general products and terminals; Donald M. Swan, Jr., v.p.-legal; William TenBrink, v.p.-Midwest Region, marketing administration; Thomas E. Garvale, controller; Cam R. Stark, treasurer; Rafaballi K. Pardhan, general auditor; Gerald J. Bojas, James B. LeDuc, ass't controllers; James M.

Carl, ass't treasurer; Ella M. Mantek, Walter J. Williams, ass't secretaries.

Directors: Ray W. Macdonald, Harry B. Cunningham, James A. McCollough, Paul S. Mirabito, Alan E. Schwartz, W. Michael Blumenthal, Coy G. Eklund, DuRay E. Stromback, Robert M. Surdam, Otto Eckstein, Martha W. Griffiths, James C. Fletcher, Arthur R. Seder Jr., Eugene F. Smith, Hobart Taylor, Jr.

Products Group:

Business Machines Group
Burroughs Place, P.O. Box 418
Detroit, Michigan 48232
(313) 972-7330

Markets Burroughs systems and equipment and provides customer support services throughout the United States.

International Group
Burroughs Place, P.O. Box 330-A
Detroit, Michigan 48232
(313) 972-7432

Markets Burroughs systems and equipment and provides customer support services outside the United States. Manufactures and markets business forms and supplies in burroughs international markets.

Federal and Special Systems Group
P.O. Box 517
Paoli, Pennsylvania 19301
(215) 648-3411

Markets Burroughs systems and equipment and provides support services to the U.S. Government. Also engineers and manufactures special systems and equipment and markets them in the U.S. and overseas.

Office Products Group
P.O. Box 910
Rochester, New York 14603
(716) 271-3400

Designs, engineers, and manufactures in the United States, Burroughs line of businesss forms, office supplies and documents encoding, signing and protecting equipment. Also develops, manufactures and markets graphic communications equipment and work processing equipment in the U.S. and overseas.

Small Systems Group
Burroughs Place, P.O. Box 418
Detroit, Michigan 48232
(313) 972-7222

Engineers and manufactures very small and small-scale computer systems; business mini-computers and related work stations document management systems and a range of equipment for data preparation.

Peripheral Products Group
Burroughs Place, P.O. Box 418
Detroit, Michigan 48232
(313) 972-7553

Engineers and manufactures peripheral equipment including storage devices, line printers and document reader-sorters.

Computer Systems Group
Burroughs Place, P.O. Box 418
Detroit, Michagan 48232
(313) 972-9687

Engineers and manufactures Company's very large, large, medium-scale, and small scale systems.

Components Group
Burroughs Place, P.O. Box 418
Detroit, Michigan 48232
(313) 972-7232

Engineers and manufactures component products including integrated circuit assemblies; printed circuit boards; keyboards, fabricated parts; cables and other interconnection devices; and power supplies for use in Burroughs systems and equipment.

Terminal Systems Group
Burroughs Place, P.O. Box 418
Detroit, Michigan 48232
(313) 972-9337

Engineers and manufactures terminal systems and products, electronic calculatorts and adding machines.

OEM Division
Burroughs Place
Detriot, Michigan 48232
(313) 972-7281

Engineers and manufactures electronic readout devices and data display subsystems and markets those and other selected Burroughs products to other equipment manufactures.

Program Products Division
Burroughs Place
Detroit, Michigan 48232
(313) 972-8319

Develops line-of-business application software for all standard products.

Micro-Components Organization
1670170 Bernardo Drive
San Diego, California 92127
(714) 487-3000

Engineers and manufactures semiconductor products including integrated circuit logic and memory; and develop advanced microcircuitry for use in Burroughs products.

Subsidiaries:

Burroughs Export Corporation
100 West Tenth Street
Wilmington, Delaware

Burroughs Information Systems, Ltd.
Wilmington, Delaware

Burroughs Inter-America, Limited
Wilminton, Delaware

Burroughs International Company
Wilmington, Delaware

Burroughs Properties, Inc.

Compania Burroughs de Maquinas Limitada
Ingeniero Heurgo 965
Buenos Aires, Argentina

Burroughs Limited
P.O. Box 464
North Sydney, NSW, Australia 2060

Burroughs Datenverarbeitung Gesellschaft m.g.H.
Moering Gasse 10
A-1151 Vienna, Austria

Compangnie Belge Burroughs, S.A.
12 Ave de Broqueville
(Angles Rue du Duc 100)
1150 Brussels, Belgium

Burroughs Electronica Ltda.
Caixa Postal 1410-ZC00
Rio De Janeiro, Est. Da Guanabara
Brazil

Burroughs de Chile, S.A.
Casilla de Correo 14285
Santiago, Chile

Burroughs de Columbia, S.A.
Apartado Aereo 53433
Bogota de Columbia

Burroughs de Centro America, S.A.
Apartado 2837
San Jose, Costa Rica

Burroughs Data Systemer A/S
Jydeholmen 15
2720 Van Lose
Copenhagen, Denmark

Societe Anonyme Burroughs
230-242 Avenue Laurent Cely
Boite Postale 50
92231-Gennevilliers (Hauts de Seine)
France

Burroughs Machines Limited
Heathrow House, Bath Road
Hounslow, Cranford
Middlesex, England

Burroughs G.m.b.H.
Frankfurter Allee-14-20
D6236, Eschborn, Germany

Burroughs B.V.
Prof EM, Meyerslaan 2-4
P.O. Box 48
Amstelveen, Holland

Burroughs Machines (Hong Kong) Ltd.
B300, Black 'B', Watson's Estate
Watson Road
North Point, Hong Kong

Burroughs Italiana S.p.A.
Via Cernaia 2
20121 Milan, Italy

Burroughs Machines Limited
P.O. Box 40572
Nairobi, Kenya

Compania Burroughs Mexicana, S.A.
Ave Ejercito Nacional 1005
Mexico 10, D.F., Mexico

Burroughs Limited

P.O. Box 30354
Lower Hutt, New Zealand

Burroughs A/S
P.O. Box 40-Bestun
Oslo 2, Norway

Burroughs Limited
P.O. Box 343, Makati, Rozal 3117
Manila, Philippines

Burroughs Europe-Africa Marketing Limited
Middlesex, England

TATA Burroughs Ltd.
Manish Commercial Centre-5th Floor
Dr. Anni E. Seasant Rd.
Worli, Bombay 400-025
India

Burroughs, Inc.
G.P.O. Box 3308
San Juan, Puerto Rico 00936

Burroughs Machines, Limited
Burroughs House
P.O. Box 2316
Salisbury, Rhodesia

Burroughs Machines, Limited
P.O. Box 3996
Johannesburg, Transvaal,
South Africa

Burroughs AB
Banergatan 10
S-11522 Stockholm, Sweden

Burroughs (Schweiz) A.G.
P.O. Box 2067
8023 Zurich, Switzerland

Burroughs International S.A.
18, Rue St. Pierre
1700 Fribourg, Switzerland

Burroughs S.A.
General Davila 7
Madrid-3, Spain

Burroughs Compania Anonima
Apartado 70116-Los Ruices
Caracas, Venezuela

Burroughs Caribbean Limited
P.O. Box 69
Cross Roads
Kingston 5, Jamaica, W.I.

Burroughs Electronica (Portugal) S.A.R.L.
Rua Gregorio Lopes, Loie 1514
Lisbon-3 (Restelo) Portugal

Burroughs Business Machines, Ltd.
801 York Mills Road
Don Mills, Ontario, M3B 1X8 Canada

Burroughs Bahamas Ltd.
P.O. Box ES6266
Dowdswell Street
Nassau, Bahamas

Burroughs Co., Ltd.
Hanzomon Building
7.1 chome, Kojimachi
Chiyoda Ku, Tokyo
102, Japan

Burroughs Computer Systeme Gesellschaft m.b.H.
Tauchlaben, 7a
1010 Wien 1, Austria

Ubique Assurance Ltd.
Bank of Bermuda Building
Hamilton, Bermuda

Galactic Assurance Group Ltd.
Bank of Bermuda Building
Hamilton, Bermuda

Formularios e Suprimentos Burroughs Ltda.
Rio De Janeiro, Est. de Guanbara, Brazil

Burroughs Leasing Company Limited
Heathrow House, Bath Road
Hounslow, Cranford
Middlesex, England

Burroughs Hellas S.A.
121 Sygrov Avenue
Athens 405, Greece

Burroughs, S.A. de C.V.
Ejercito Nacional 1005
Mexico, D.F. Mexico

Industrias Mexicanas Burroughs, S.A. de C.V.
Guadalajara Jalisco, Mexico

Espirales, S.A.
VBIA Espana 200
Panama 5, Republic of Panama

Burroughs S.A.
Via Espana 200
Panama 5, Republic of Panama

Burroughs A.G.
Fribourg, Switzerland

Burroughs Europe-Africa, Inc.

Burroughs Latin America, Inc.

Burroughs Pacific, Inc.

Burroughs Overseas Limited

Burroughs OEM Corporation

Burroughs OEM Marketing Corporation

Burroughs Pacific Finance Limited

Transfer Agent(s):

Morgan Guaranty Trust Company
New York, New York

National Bank of Detroit
Detroit, Michigan

Stock Exchange(s): New York, Chicago, Cincinnati, Los Angeles, San Francisco, London, Amsterdam, Antwerp, Basel, Brussels, Geneva, Lausanne, Zurich.

Ticker Symbol: BGH

Number of Employees:

1979	56,509	1976	49,884
1978	54,638	1975	51,671
1977	51,295		

Plant Footage:

1978	8,037,000 sq. ft.	1976	8,103,000
1977	8,190,000	1975	7,863,000

Sales and Earnings

	Net Sales	Net Income
1979	$1,624,861,161	$305,536,269
1978	1,384,217,207	253,363,618
1977	1,180,834,874	215,179,580
1976	1,070,236,199	185,904,140
1975	1,022,499,409	164,409,499

	No. of Com. Shares #	Earn. per Share #
1979	41,027,534	$7.45
1978	40.802,549	6.21
1977	40,546,955	5.31
1976	40,264,694	4.62
1975	39,673,149	4.14

# Based on average number of shares outstanding.

Revenues By Line of Business
(000's)

	1979	1978
Large & medium computer systems	$ 1,176,100	$ 1,021,900
Small computer systems & business mini-computers	545,100	502,100
Field engineering services	654,300	559,200
Business forms & office supplies	343,200	279,900
Custom products electronic components	66,800	59,200
Other income	45,500	37,700
Total	$ 2,831,000	$ 2,460,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1979	$2.10	—	—
1978	1.50	—	—
1977	0.90	—	—
1976	0.68	—	—
1975	0.60	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1979	$2,135,511,342	$51.84
1978	1,900,691,669	46.41
1977	1,694,789,395	41.61
1976	1,500,399,757	37.08
1975	1,308,137,030	32.75

Income Account *

Year ended Dec. 31	1979	1978
Net sales	$1,624,861,161	$1,384,217,207
Rentals & service revenue	1,160,630,590	1,038,093,935
Other income	45,483,932	37,690,523
Total Income	$2,830,975,683	$2,460,001,665
Cost of sales	739,105,615	619,668,782
Cost of rentals & service	582,106,939	523,903,671
Expenses	764,800,406	661,363,571
Research & develop.	169,314,942	142,550,480
Interest expense	47,811,512	37,151,543
Income before taxes	$527,836,269	$475,363,618
Income taxes	222,300,000	222,000,000
Net Income	$305,536,269	$253,363,618

* Included in Costs and Expenses, Depreciation: $233,572,842 in 1979 and $220,208,818 in 1979.

Assets

As of Dec. 31	1979	1978
Cash	$ 30,636,985	$ 35,286,458
Marketable securities	34,920,055	30,814,549
Accts. & notes receiv., net	947,515,535	771,597,857
* Inventories	689,943,308	594,904,004
Prepaid expenses	47,154,253	48,788,219
Current Assets	$1,750,170,136	$1,481,391,087
Installment accts.	373,883,957	321,364,923
Rental equip.	787,992,581	684,455,214
# Fixed assets	429,297,235	386,547,928
Other assets	45,426,709	52,022,353
Total Assets	$3,386,660,618	$2,925,781,505

Liabilities

Notes payable	$286,375,682	$143,366,445
Long-term debt, curr.	3,884,442	6,157,854
Accts. payable	150,551,590	148,148,543
Customers' deposits	245,308,521	188,431,074
Accrued payroll	104,975,636	93,050,666
Dividends payable	22,656,383	16,381,023
Income taxes	92,600,000	106,700,000
Other income	54,952,019	53,534,837
Curr. Liabilities	$961,304,273	$755,770,442
Long-term liabilities	190,467,653	193,065,862
Deferred inc. taxes	99,377,350	76,253,532
+ Common stock	206,170,505	204,996,185
Add. paid-in capital	422,582,317	408,273,607
Retained earnings	1,507,173,076	1,287,897,601
Treasury stock	(414,556)	(475,724)
Total Liabilities & Shareholders' Equity	$3,386,660,618	$2,925,781,505

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $5 par value.

Statistical Summary

%Income bef. Taxes to Total Income	18.65	19.32
%Net Income to Total Income	10.79	10.30
%Net Income to Equity	14.31	13.33
Working Capital	$788,865,863	$725,620,645
Current Ratio	1.82	1.96
Shareholders' Equity	$2,135,511,342	$1,900,691,669

Butler National Corporation

8246 Neiman Road
Lenexa, Kansas 66214
(913) 888-8585

Officers: Paul Butler, chairman of the board; Leonard E. Lindquist, vice chairman; Gerald R. Smith, president; Thomas Hilleary, v.p.-research & development; Eugene R. Rhue, v.p. & dir. of operations; John Mehlin, v.p.-marketing; R.J. Fitzgerald, secretary; Willard Land, treasurer.

Directors: Paul Butler, chairman; David M. Gooder, Leonard E. Lindquist, Carl H. Almond, A. Donald Duncan, Christopher T. Finnoff, Gerald R. Smith, Frank O. Butler, II.

Areas of Work: Manufactures and sells avionics equipment, navigation and communication devices. Primary producs are a ground based distance measuring equipment (DME) station and an airborne switching unit for use on the McDonnell-Douglas DC-10 and DC-9 jet aircraft. Also manufactures automatic talking alarm systems.

Subsidiaries:

Cansas International Corporation
Engaged in meteorological services and aircraft modification.

Transfer Agent(s):

Northwestern National Bank
7th & Marquette
Minneapolis, Minnesota 55401

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BUTL (NASDAQ)

Number of Employees:

1980	65	1979	65

Sales and Earnings

	Net Sales	Net Income +
1980	$ 3,722,244	$ 37,724
1979	2,854,675	(32,021)
1978	3,151,360	71,842
1977	1,674,161	(173,839)
1976	1,539,084	(159,064)

	No. of Com. Shares	Earn. Per Share # +
1980	2,729,867	$0.02
1979	2,274,517	—
1978	2,367,196	0.03
1977	2,303,863	—
1976	1,737,196	—

(Loss)

# Based on weighted average number of shares outstanding.

+ Including extraordinary credits of $18,700 ($0.01 per share) in 1980, $10,900 in 1979, and $27,700 ($0.01 per share) in 1978.

Revenues By Line of Business

	1980	1979
Avionics	$ 2,872,200	$ 1,992,688
Meteorological services	207,936	646,407
Other	642,108	215,580
Total	$ 3,772,244	$ 2,854,675

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,088,692	$0.40
1979	507,077	0.22
1978	631,777	0.27
1977	515,560	0.22
1976	589,399	0.34

Income Account *

Year ended April 30	1980	1979
Net sales	$ 3,722,244	$ 2,854,675
Cost of sales	2,359,434	1,907,541
Expenses	1,206,114	934,144
Interest expense	120,375	46,388
Interest income	(1,403)	(1,377)
Income (loss) before taxes	$ 37,724	$ (32.921)
Income taxes	18,700	10,900
Net Income (Loss)	$ 19,024	$ (42,921)
Extraordinary gain	18,700	10,900
Net Income (Loss) & Extraordinary gain	$ 37,724	$ (32,021)

*Included in Costs and Expenses, Depreciation and Amortization: $57,242 in 1980 and $43,614 in 1979.

Assets

As of April 30	1980	1979
Cash	$ 19,524	$ 23,214
Cert. of deposit	—	11,656
Accts. receiv., net	673,214	272,498
*Inventories	1,475,220	1 251,413
Prepaid expenses	19,978	18,090
Current Assets	$ 2,187,936	$ 1,576,871
Investments	—	15,000
# Fixed assets	268,452	205,857
Intangibles	414,544	40,011
Other assets	22,145	17,352
Total Assets	$ 2,893,077	$ 1,855,091

Liabilities

	1980	1979
Long-term debt. curr.	$ 22,032	$ 27,701
Notes payable	300,000	—
Accts. payable	729,014	443,500
Accruals	193,012	152,418
Customer deposits	—	241,247
Curr. Liabilities	$ 1,244,058	$ 864,866
Long-term debt	560,327	483,148
+ Common stock	279,195	236,719
Add. paid-in capital	9,091,462	8,620,647
Deficit	(8,219,886)	(8,257,610)
Treasury stock	(62,079)	(92,679)
Total Liabilities & Shareholders' Equity	$ 2,893,077	$ 1,855,091

*At lower of cost (FIFO) or market.

# Less accumulated depreciation.

+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.01	—
%Net Income to Sales	0.51	—
%Net Income to Equity	1.75	—
Sales to Inventories	2.52	2.28
Working Capital	$ 943,878	$ 712,005
Current Ratio	1.76	1.82
Shareholders' Equity	$ 1,088,692	$ 507,077

CAE Industries Ltd.

Suite 3060, P.O. Box 30
Royal Bank Plaza
Toronto, Ontario, M5J 2J1, Canada
(416) 865-0700

Officers: R. Fraser Elliott, chairman of the board; C. Douglas Reekie, president and chief executive officer; Frank van de Water, v.p.-finance and secretary; David H. Race, v.p.-operations; Frederick C. Fraser, v.p.-corp. relations; Donald M. Derouin, comptroller & asst. secretary.

Directors: R. Fraser Elliott, chairman; C. Douglas Reekie, W.M. Anderson, Henry Benson, Peter D. Curry, H. Heward Stikeman, P.L.P. Macdonnell, G. Drummond Birks, Pierre Cote, Ward C. Pitfield, E. Jacques Courtois, J.D. Creighton, J.W. McCutcheon, Michael M. Koerner.

Areas of Work: Designs and manufactures commercial and military aircraft flight simulators; complete supervisory control systems for petroleum, nuclear power plant, heavy water and hydro industries; magnetic anomaly detection and compensation equipment for submarine detection and geophysical exploration; provides complete electronics and avionics instrument and equipment repair, overhaul, installation and calibration services in Montreal and Stolberg, West Germany. A division of Edmonton manufactures major components for modern jet aircraft; develops, manufactures and installs complete aircraft interiors and avionics packages; maintains and overhauls a variety of aircraft types; manufactures filament wound fiberglass pipes and tanks for the pulp and paper, petroleum and chemical industries. A division in Winnipeg provides aircraft repair, overhaul, modification service and aircraft component manufacturing. CAE also manufactures railway journal bearings and bearing lubricators; produces bronze and aluminum castings for a wide variety of customers including the auto industry, manufactures sawmill and other machinery for the lumber industries; screen plates for the pulp and paper, mining and textile industries; ferrous metal castings for many uses, and provides metal and nonmetal plating services. The company also manufactures ferrous metal abrasives for all types of applications and zinc, magnesium and aluminum die cast products for the automotive and other industries. It also sells and distributes a range of machine tools, industrial equipment and construction and forestry equipment coast-to-coast in Canada.

Subsidiaries:

CAE Machinery Ltd.
3550 East Broadway
Vancouver, B.C., Canada
(604) 299-3431

Union Screen Plate Co. Ltd.
72 Queen Street
Lennoxville, Quebec, Canada
(814) 562-4754

Welmet Industries Limited
31 King Street
Welland, Ontario, Canada
(416) 734-7462

Northwest Industries Limited
Industrial Airport
P.O. Box 517
Edmonton, Alberta, Canada
(403) 455-3161

Canadian Bronze Company Limited
15 Bury Street
Winnipeg, Manitoba, Canada
(204) 786-6821

CAE Lubricators Div.
1140 Montee de Liesse Road
St. Laurent 377, Quebec, Canada
(514) 341-6780

CAE Electronics Ltd.
8585 Cote de Liesse Road
St. Laurent 377, Quebec, Canada
(514) 341-6780

CAE Aircraft Ltd.
P.O. Box 1700
Winnipeg International Airport
Winnipeg 1, Manitoba, Canada
(204) 755-0131

Webster Mfg. (London) Limited
1161 King Street
London, Ontario, Canada
(519) 455-1220

CAE Magnesium Products Div.
Strathroy, Ontario Canada

Accurcast Die Casting Limited
333 Arnold Street
Wallaceburg, Ontario, Canada
(519) 627-1441

CAE-Morse Ltd.
195 Brunswick Boulevard
Pointe Claire, Quebec, Canada
(514) 694-2850

CAE Fiberglass Products Division
Guelph, Ontario, Canada

CAE Electronics GmbH
Stolberg, Aachen West Germany

Cleveland-CAE Metal Abrasive Limited
650 Rushmore Road
Welland, Ontario, L3B 5R4 Canada

CAE-Montupet DieCast Ltd.
15 Yale Cr.
St. Catharines, Ontario, Canada

CAE Metals Ltd.
Welland, Ontario, Canada

Transfer Agent(s):

Montreal Trust Company
Montreal, Quebec, Canada
Toronto, Ontario, Canada
Vancouver, British Columbia, Canada

Stock Exchange(s): Montreal, Toronto

Ticker Symbol: CAE

Number of Employees:

1981	4,460	1978	3,410
1980	4,225	1977	3,200
1979	4,000		

Plant Footage:

1981	2,300,000 sq.ft.	1978	2,000,000
1980	2,250,000	1977	2,000,000
1979	2,200,000		

Sales and Earnings

	Revenue	Net Income #
1981	$292,615,000	$ 9,938,000
1980	238,508,000	8,662,000
1979	191,080,000	6,425,000
1978	166,526,000	1,711,000
1977	140,172,000	3,688,000

	No. of Com. Shares	Earn. per Share ‡ #
1981	5,766,952	$1.72
1980	5,736,457	1.51
1979	5,701,057	1.07
1978	6,315,693	0.27
1977	6,303,693	0.58

# Including extraordinary gains of $299,000 ($0.05 per share) in 1981, $323,000 ($0.06 per share) in 1980, $726,000 ($0.39 per share) in 1979 and extraordinary loss of $2,503,000 ($1.39 per share) in 1978.

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1981	$0.50	—	—
1980	0.30	—	3-for-1
1979	0.246	—	—
1978	0.193	—	—
1977	0.166	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1981	$ 44,329,000	$7.69
1980	37,359,000	6.51
1979	30,409,000	5.33
1978	28,923,000	4.41
1977	27,507,000	4.34

‡ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended March 31	1981	1980
Revenue	$ 292,615	$ 238,508
Cost of sales & expenses	276,045	222,400
Depreciation & amortization	5,468	4,144
Interest expense (income)	(108)	611
Income before taxes	$ 11,210	$ 11,353
Income taxes	1,206	2,477
Minority interest	365	537
Net Income	$ 9,639	$ 8,339
Extraord. gain	299	323
Net Income & extraord. gain	$ 9,938	$ 8,662

Assets
(000's)

As of March 31	1981	1980
Cash	$ 22,607	$ 16,912
Accts. receiv., net	64,729	47,679
*Inventories	4,924	11,600
Prepaid expenses	1,555	957
Current Assets	$ 93,815	$ 77,148
# Fixed assets	46,676	36,355
Other assets	6,058	3,949
Total Assets	$ 146,549	$ 117,452

Liabilities
(000's)

	1981	1980
Bank indebtedness	$ 8,188	$ 1,850
Long-term debt, curr.	1,540	1,163
Accts. payable & accruals	57,842	41,452
Gov't of Canada loan	3,900	3,900
Income & other taxes	2,801	27
Deferred taxes	736	1,342
Curr. Liabilities	$ 75,007	$ 49,734
Long-term debt	24,807	26,430
Minority interest	2,406	2,736
Deferred inc. taxes	—	1,193
+ Capital stock	5,782	5,803
Retained earnings	38,547	32,032
Treasury stock	—	(476)
Total Liabilities & Shareholders' Equity	$ 146,549	$ 117,452

* At lower of average cost and net realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Revenues	3.83	4.76
%Net Income to Rev.	3.29	3.50
%Net Income to Equity	21.74	22.32
Working Capital	$ 18,808,000	$ 27,414,000
Current Ratio	1.25	1.55
Shareholders' Equity	$ 44,329,000	$ 37,359,000

California Computer Products, Inc.

2411 West La Palma Avenue
Anaheim, California 92801
(714) 821-2011

Officers: George M. Canova, president & chairman; Howard E. Brewer, v.p. & gen. mgr.-Graphics Products Div.; Joseph A. Fornatoro, v.p. & gen. mgr.-Systems Div.; Paul F. Seckendorf, v.p. & gen. mgr.-International Div.; Charles H. Sword, v.p.-finance & controller; William L. Barber, general counsel & asst. secretery.

Directors: Lester L. Kilpatrick, Walter F. Bauer, Richard V. King, James W. Lewis, George W. Brown, Albert G. Handschumacher, Stuart A. Krieger, George M. Canova, Henry G. Bowles; Harry F. Argento, Jack L. Bowers, M. Joel Kosheff, Albert B. Wight.

Areas of Work: Develops, produces, markets and services computer graphics (plotting equipment and related software).

Subsidiaries:

CalComp S.A.
43 rue de la Breche-Aux-Loups
75 Paris (12e) France

CalComp GmbH
Dusseldorfer Strasse 101
4000 Dusseldorf 11
West Germany

CalComp B.V.
Maalderij 21
P.O. Box 444
Amstelveen, The Netherlands

CalComp Limited
Cory House
The Ring
Bracknell, Berks RG12 1ER
England

CalComp Pacific, Inc.
Azabu Building
3-5-27 Roppongi
Minato-ku, Tokyo 106, Japan

CalComp Canada
55 Westmore Drive
Rexdale, Ontario M9V 3Y6
(416) 745-9610

CalComp S.p.A.
Via Farnese 1
20146 Milan, Italy

CalComp Capital, Inc.
CalComp Domestic International Sales Corp.
CalComp Financial
CalComp Galaxies, Inc.
Network/80 Corporation
California Computer Products of Canada, Ltd.
Input Controls, Inc.
Xytek Corporation

Transfer Agent(s):

Wells Fargo Bank, N.A.
Los Angeles, California 90054

Citibank, N.A.
111 Wall Street
New York, New York 10015

Stock Exchange(s): American, Pacific

Ticker Symbol: CPI

Number of Employees:

1979	2,141	1976	2,816
1978	2,783	1975	3,248
1977	2,446		

Plant Footage:

1979	370,000 sq. ft.	1976	692,323
1978	744,000	1975	900,000
1977	744,000		

Sales and Earnings

	Revenues	Net Income ‡
1979	$133,804,000	$ (7,796,000)
1978	119,306,000	1,515,000
1977	118,224,000	(1,692,000)
1976	121,891,000	(4,148,000)
1975	123,127,000	(12,122,000)

	No. of Com. Shares #	Earn. per Share # ‡
1979	3,382,150	—
1978	3,341,327	$0.45
1977	3,339,901	—
1976	3,340,962	—
1975	3,237,990	—

(Loss)
# Based on the weighted average number of common shares and common share equivalents outstanding.
‡ Including extraordinary gains of $539,000 ($0.16 per share) in 1978 and $209,000 ($0.06 per share) in 1977.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ (1,220,000)	$ —
1978	5,967,000	1.79
1977	4,454,000	1.33
1976	6,139,000	1.84
1975	10,298,000	3.18

(Deficiency)

Income Account *

Year ended June 30	1979	1978
Net sales & serv.	$128,399,000	$110,696,000
Rental income	4,656,000	7,955,000
Other income	749,000	655,000
Total income	$133,804,000	$119,306,000
Cost of sales	86,511,00	78,219,000
Expenses	40,476,000	32,702,000
Interest expense	7,695,000	6,598,000
Unusual Items	3,259,000	(655,000)
Income (loss) before taxes	$ (4,137,000)	$ 2,452,000
Income taxes	3,659,000	1,476,000
Net Income (Loss)	$ (7,796,000)	$ 976,000
Extraord. gain	—	539,000
Net Income (Loss) & extraord. gain	$ (7,796,000)	$ 1,515,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,956,000 in 1979 and $5,353,000 in 1978.

Assets

As of June 30	1979	1978
Cash	$ 3,330,000	$ 2,013,000
Accts. receiv., net	24,815,000	30,115,000
Receiv. from sales of assets	1,917,000	—
* Inventories	14,360,000	27,462,000
Deposits and prepaids	1,915,000	1,503,000
Current Assets	$ 46,337,000	$ 61,093,000
Leased equip.	5,908,000	14,270,000
# Fixed assets	4,368,000	9,269,000
Other assets	1,621,000	1,565,000
Intangibles	—	1,985,000

California Computer Products, Inc.

Receiv. from sales of assets	705,000	—
Total Assets	$ 58,939,000	$ 88,182,000
Liabilities		
Notes & contracts payable	$ 1,173,000	$ 6,658,000
Accts. payable	10,923,000	10,189,000
Accruals	11,094,000	10,466,000
Income taxes	3,288,000	979,000
Curr. Liabilities	$ 26,478,000	$ 28,292,000
Notes & contracts payable	17,214,000	37,217,000
Conv. subord. debt.	15,820,000	16,382,000
Deferred inc. taxes	647,000	324,000
+ Common stock	1,738,000	1,671,000
Add. paid-in capital	16,158,000	15,616,000
Deficit	(19,116,000)	(11,320,000)
Total Liabilities & Shareholders' Equity	$ 58,939,000	$ 88,182,000

* At lower of cost (FIFO) or market.
# Less accumulated dereciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	2.22
%Net Income to Sales	—	0.88
%Net Income to Equity	—	16.36
Working Capital	$ 19,859,000	$ 32,801,000
Current Ratio	1.75	2.16
Shareholders' Equity (deficiency)	$ (1,220,000)	$ 5,967,000

California Microwave, Inc.

990 Almanor Avenue
Sunnyvale, California 94086
(408) 732-4000

Officers: David B. Leeson, chairman of the board, president & chief executive officer; Philip F. Otto, exec. v.p. & chief financial officer & secretary; Robert F. Friedman, v.p., pres.-Satellite Communications Div.; Gilbert F. Johnson, exec. v.p.-operations, pres.-Defense Products Div.; Howard Oringer, v.p.-corp. development, pres.-Telecommunications Div.; David E. Hershberg, v.p., pres.-Satellite Transmission Systems, Inc.

Directors: David B. Leeson, chairman, Drew R. Lance, Robert A. Helliwell, Franklin P. Johnson, Jr., Oswald G. Villard, Jr., Philip F. Otto, Daniel J. McGanney, Jr.

Areas of Work: Active in four related product areas— telecommunications signal sources, satellite earth station converters, radar test equipment and defense communication converters.

Subsidiaries:

California Microwave International
Sunnyvale, California 94086
(408) 732-4000

California Microwave Digital Products, Inc.
Sunnyvale, California
(408) 245-68[illegible]0

Satellite Transmission Systems, Inc.
80 Oser Avenue
Hauppauge, New York 11787
(516) 231-1919

Transfer Agent(s):

Crocker National Bank
P.O. Box 38005
San Francisco, California 94138

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CMIC (NASDAQ)

Number of Employees:

1980	694	1977	663
1979	865	1976	570
1978	715		

Plant Footage:

1980	223,000 sq. ft.	1977	199,000
1979	233,000	1976	118,300
1978	209,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 38,066,000	$ 158,000
1979	40,036,000	2,368,000
1978	33,167,000	1,889,000
1977	26,061,000	1,496,000
1976	18,062,408	828,838

	No. of Com. Shares #	Earn. per Share #
1980	2,062,000	$0.08
1979	2,027,000	1.17
1978	1,972,000	0.96
1977	1,911,000	0.78
1976	1,818,000	0.46

# Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1980 (000's)	%	1979 (000's)	%
Telecommunications prods.	$ 17,778	47%	$ 21,426	54%
Defense Prods.	14,464	38	12,432	31
Satellite Commun. prods.	5,824	15	6,178	15
Total	$ 38,066	100%	$ 40,036	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	50%	—
1978	—	50%	—
1977	—	50%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 11,237,000	$5.52
1979	10,600,000	5.32
1978	7,885,000	4.10
1977	5,826,000	3.10

‡ Adjusted to reflect stock dividends.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 38,066,000	$ 40,036,000
Cost of sales	28,472,000	27,253,000
Expenses	8,758,000	8,131,000
Interest expense	813,000	129,000
Income before taxes	$ 23,000	$ 4,523,000
Income taxes (credit)	(135,000)	2,155,000
Net Income	$ 158,000	$ 2,368,000

* Included in Costs and Expenses, Depreciation and Amortization: $922,000 in 1980 and $552,000 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 544,000	$ 217,000
Accts. receiv., net	6,772,000	7,756,000
Refund. inc. taxes	956,000	—
*Inventories	8,834,000	7,184,000
Prepaid expenses	187,000	206,000
Current Assets	$ 17,293,000	$ 15,363,000
# Fixed assets	5,505,00	4,639,000
Other assets	1,166,000	843,000
Total Assets	$ 23,964,000	$ 20,845,000
Liabilities		
Long-term debt. curr.	$ 500,000	$ 125,000
Accts. payable	2,544,000	2,456,000
Accruals	2,407,000	2,830,000
Income taxes	301,000	959,000
Curr. Liabilities	$ 5,752,000	$ 6,370,000
Long-term debt	6,975,000	3,875,000
+ Common stock	509,000	498,000
Add. paid-in capital	2,756,000	2,376,000
Retained earnings	8,192,000	8,034,000
Unamortized stock plan	(220,000)	(308,000)
Total Liabilities & Shareholders' Equity	$ 23,964,000	$ 20,845,000

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.25 par value.

Statistical Summary

%Income bef. taxes to Sales	—	11.30
%Net Income to Sales	0.42	5.91
%Net Income to Equity	1.41	22.34
Sales to Inventories	4.31	5.57
Working Capital	$ 11,541,000	$ 8,993,000
Current Ratio	3.01	2.41
Shareholders' Equity	$ 11,237,000	$ 10,600,000

Cambex Corporation

(formerly Cambridge Memories, Inc.)

360 Second Avenue
Waltham, Massachusetts 02154
(617) 890-6000

Officers: Joseph F. Kruy, chairman of the board & president; Ronald R. Bresnahan, v.p. & treasurer; Edward G. Fassino, v.p.; John E. Beard, clerk.

Directors: Joseph F. Kruy, Myron A. Angier, C.V. Ramamoorthy, Philip C. Hankins.

Areas of Work: Designs, develops, manufactures and markets memory systems used with large-scale computers and with minicomputers in both the end-user and original equipment markets; manufactures and markts a series of computer systems that are compatible with several models of the IBM system 1370 and 4300 computer families; markets memory subsystems and components for incorporation into a variety of digital products manufactured by others.

Subsidiaries:

Cambridge Memories International, Inc.
Waltham, Massachusetts

Transfer Agent(s):

New England Merchants National Bank
28 State Street
Boston, Massachusetts 02109

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CBEX (NASDAQ)

Plant Footage:

1980	61,000 sq. ft.	1978	61,000
1979	61,000		

Sales and Earnings

	Revenues	Net Income +
1980	$ 4,046,577	$ 201,070
1979	8,164,415	114,992
1978	10,195,459	2,454,269
1977	7,214,452	4,229,780
1976	19,411,598	(12,606,207)

	No. of Com. Shares †	Earn. per Share + †
1980	1,775,000	$0.11
1979	1,791,000	0.06
1978	1,818,524	1.35
1977	1,747,740	2.42
1976	1,696,271	—

(Loss)

+ Including extraordinary credits of $922,251 ($0.52 per share) in 1980, $1,779,920 ($0.98 per share) in 1978, $3,758,000 ($2.15 per share) in 1977 and extraordinary loss of $3,377 in 1976.

† Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 2,583,393	$1.46
1979	2,324,394	1.30
1978	2,177,083	1.20
1977	(282,062)	—
1976	(4,544,888)	—

(Deficiency)

† Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended Aug. 31	1980	1979
Revenues	$ 4,046,577	$ 8,164,415
Cost of sales	5,407,590	5,176,228
Expenses	2,592,053	3,169,146
Oper. loss	$ (3,953,066)	$ (180,959)
Interest income	(73,856)	(31,779)
Interest expense	(3,030,865)	182,992
Gain on IPL trans.	154,419	—
Minority interest	(281,583)	(381,633)
Other income	—	(65,531)
Net Income (Loss)	$ (721,181)	$ 114,992
Extraord. gain	922,251	—
Net Income & extraord. gain	$ 201,070	$ 114,992

* Included in Costs and Expenses, Depreciation and Amortization: $366,023 in 1980 and $371,783 in 1979.

Assets

As of Aug. 31	1980	1979
Cash	$ 658,900	$ 292,272
Receiv., net	1,009,880	1,716,202
Contract receiv., curr.	11,400	64,337
* Inventories	3,259,408	4,091,103
Prepaid expenses	57,288	73,812
Current Assets	$ 4,996,876	$ 6,237,726
Contract receiv.	—	62,530
Leased equip	61,932	158,116
# Fixed assets	1,233,534	1,438,152
Other assets	37,830	850,382
Total Assets	$ 6,330,172	$ 8,746,906

Liabilities

Notes payable	$ 1,000	$ 725,000
Long-term debt, curr.	926,492	755,451
Accts. payable	848,738	1,377,334
Accruals	1,438,276	1,471,964
Accrued payroll	84,806	64,816
Accrued interest	1,893	20,036
Accrued inc. taxes.	84,000	88,000
Other taxes	78,144	141,211
Curr. Liabilities	$ 3,461,456	$ 4,643,812
Long-term debt	785,323	856,449
Deferred credit	—	922,251
+ Common stock	181,938	177,658
Add. paid-in capital	10,677,569	10,613,900
Retained earnings (deficit)	(8,217,744)	(8,418,814)
Treasury stock	(58,370)	(48,350)
Total Liabilities & Shareholders' Equity	$ 6,330,172	$ 8,746,906

* At lower of cost (FIFO) or market.

# Less accumulated depreciation and amortization.

+ $0.10 par value.

Statistical Summary

%Net Income to Revenue	—	1.41
%Income to Equity	—	4.95
Working Capital	$ 1,535,420	$ 1,593,914
Current Ratio	1.44	1.34
Shareholders' Equity	$ 2,583,393	$ 2,324,394

Canadian General Electric Company Limited

P.O. Box 417
Commerce Court North
Toronto, Ontario, Canada M5L 1J2
(416) 862-5500

Officers: Alton S. Cartwright, chairman of the board & chief executive officer; David F. Abel, Harold C. Dickout, Peter E. Pashler, Archibald F. Johnston, Russell M. Baranowski, Richard T. Martin, Walter E. Noble, Carl B. Haller, L. Robert Douglas, Robert Story, D. Forrest Rankine, Max Drouin, Walter R. Fell, Kenneth L. Broe, Harry W. Johnson, Victor L. Clarke, Robert T. E. Gillespie, Merritt E. Gordon, Francis Moskal, vice presidents; Ivan R. Feltham, v.p., general counsel & secretary; William J. Briggs, v.p. & treasurer; V. Gerold Stafl, v.p. & comptroller.

Directors: William F. McLean, MacKenzie McMurray, James A. Baker, Steele Curry, Frank P. Doyle, Robert R. Frederick, Terence E.McClary, Alexander M. Wilson, Walter G. Ward, Alton S. Cartwright, Robert B. Kurtz, H. Ian Macdonald, Maurice Lamontagne, Antoine Turmel, Denis W. Timmis.

Divisions:

Consumer and Construction Products Division

Manufactures, markets and services television, radios, stereos, kitchen and laundry appliances, room air conditioners, and portable electric housewares. Manufactures lamps. Manufactures and markets electric distribution equipment and devices, wire and cable, heating equipment, lighting equipment, cemented carbide tools, plastics, synthetic resins and silicones. Markets mobile radios, aerospace products and computer time-sharing services. Distributes electrical products to wholesale trade.

Apparatus and Heavy Machinery Division

Designs, manufactures, markets and services heavy apparatus for electric utilities and primary industries-turbines, generators, switchgear, circuit-breakers, transformers, electrical distribution equipment, process control equipment, motors, paper machines, grinding and rolling mills, mining machinery, drive systems, and other heavy machinery and components. Other products include transportation equipment, nuclear reactor fuel handling systems, meters, instruments and installation and service engineering.

Subsidiaries:

Genelcom Limited
Dominion Engineering Works Limited
Dominion Engineering Company Limited
Amalgamated Electric Corporation, Limited
Canadian General Electric International Limited
N.C. Joseph Limited
Widney Well Servicing (1971) Limited
Canadian Appliance Manufacturing Company Limited (60% equity interest)
Smith and Stone Limited (34% equity interest)
Montreal Armature Company Limited
W.L. Stevens, Ltd
Cange Limited
Genelcan Limited

Transfer Agent(s):

National Trust Company, Limited
Toronto, Ontario, Canada

Stock Exchange(s): Toronto

Ticker Symbol: CGET

Number of Employees:

1980	20,549	1977	18,823
1979	19,767	1976	17,512
1978	18,662		

Plant Footage:

1980	9,600,000 sq. ft.	1977	9,600,000
1979	9,600,000	1976	9,600,000
1978	9,600,000		

Sales and Earnings

	Net Sales‡‡	Net Income ‡
1980	$1,465,871,000	$ 44,926,000
1979	1,338,730,000	38,330,000
1978	1,103,965,000	33,612,000
1977	2,079,727,000	30,534,000
1976	879,427,000	34,963,000

	No. of Com. Shares	Earn. per Share#‡
1980	8,178,800	$5.49
1979	8,178,800	4.69
1978	8,178,800	4.11
1977	8,178,800	3.73
1976	8,178,800	4.27

‡ ‡ Includes sales of products and services.

‡ Including extraordinary gain of $2,264,000 ($0.27 per share) in 1976.

# Based on the number of common shares outstanding assuming conversion of all cumulative convertible preferred shares.

Revenues By Line of Business

	1980	1979
Elec. apparatus & components	$788,305,000	$703,438,000
Consumer prods. & services	498,961,000	448,517,000
Machinery, technical syst. & materials	270,036,000	269,266,000
Eliminations	(81,745,000)	(71,633,000)
Total	$1,475,557,000	$1,349,588,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.80	—	—
1979	1.75	—	—
1978	1.60	—	—
1977	1.55	—	—
1976	1.40	—	—

Common Stock Equity

	Total Equity †	Equity Per Share
1980	$400,381,000	$48.95
1979	370,176,000	45.26
1978	341,468,000	41.75
1977	320,945,000	39.24
1976	303,092,000	37.06

† After alowing for preferred shares at redemption value of $50 per share.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales & services	$ 1,465,871	$ 1,338,730
Cost of sales & exp.	1,354,176	1,241,822
Depreciation	29,443	23,765
Interest expense	12,591	8,264
Misc. taxes	10,856	10,533
Other income	(9,686)	(10,858)
Income before taxes	$ 68,491	$ 65,204
Income taxes	22,629	24,665
Minority interest	936	2,209
Net Income	$ 44,926	$ 38,330

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 4,550	$ 6,934
Investments	—	25,600
Receiv., net	276,793	274,418
*Inventories	381,947	352,618
Deferred taxes	19,327	21,646
Current Assets	$ 682,617	$ 681,216
Investments	9,700	10,334
Long-term, receiv.	36,051	39,359
#Fixed assets	193,062	142,354
Deferred charges & other assets	35,281	30,885
Total Assets	$ 956,711	$ 904,148

Liabilities
(000's)

	1980	1979
Short-term borrowings	$ 58,900	$ 9,848
Accts. payable	105,568	146,129
Progress collectios	134,954	121,545
Taxes payable	4,684	28,897
Dividends payable	3,681	3,681
Other liabilities	126,875	122,893
Curr. Liabilities	$ 434,662	$ 432,993
Long-term borrowings	54,269	44,979
Accruals	30,095	27,768
Minority interest	9,747	8,811
Deferred inc. taxes	27,504	19,361
+ Preferred stock	26,942	26,942
+ + Common stock	53	60
Retained earnings	373,439	343,234
Total Liabilities & Shareholders' Equity	$ 956,711	$ 904,148

* At lower of cost (FIFO) and net realizable value.
# Less accumulated depreciation.
+ $50 par value, special employees cumulative.
+ + No par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	4.67	4.87
%Net Income to Sales	3.06	2.86
%Net Income to Equity	11.22	10.35
Working Capital	$247,955,000	$248,223,000
Current Ratio	1.57	1.57
Shareholders' Equity	$400,434,000	$370,236,000

Canadian Marconi Company

2442 Trenton Avenue
Montreal, Quebec, Canada, H3P 1Y9
(514) 341-7630

Officers: E.O. Herzfeld, vice chairman; R.J. Williams, president & chief exec. officer; W. Baillie, sr. v.p. & mgr.-products & markets; P.E. Wheatley, sr. v.p. & chief financial officer; J.A. Howlett, v.p.-organization & personnel; J.G. McInnes, comptroller; J. Simons, v.p.-Avionics Div.; J.W. Dodds, v.p.-Special Services Div.; G. Gorfinkel, v.p.-Marine & Land Communications Div.; C. Filiatrault, v.p., secretary & general counsel; C. St. Arnaud, v.p.-Telecommunications Division; G. Stuurop, treasurer.

Directors: S. Dobb, H.J. Lang, I.D. Sinclair, E.O. Herzfeld, T.S. Dobson, R. Telford, J.E. Pateman, R.J. Williams, R.O. Beauchemin.

Areas of Work: Engaged in the manufacture of highly engineered electronic products for defense and civil use.

Divisions:

Avionics Division
2442 Trenton Avenue
Montreal, Quebec H3P 1Y9
(514) 341-7630

Engineering, manufacturing, marketing and servicing of Airborne Doppler Navigation systems, automatic Omega receivers. Area Navigation systems, Satellite position location equipment, aircraft instrumentation displays. Manufacturing and marketing printed wiring boards.

Marine & Land Communications Division
2442 Trenton Avenue
Montreal, Quebec H3P 1Y9
(514) 341-7630

Engineering, manufacturing, marketing and servicing of mobile two-way radio and associated base station equipment, marine radar; VHF-FM marine radio telephones; HF single sideband transmitter-receivers. Marketing and servicing of hand held radio telephones, radio and television broadcast station equipment and electronic test instruments.

Special Services Division
2442 Trenton Avenue
Montreal, Quebec H3P 1Y9
(514) 341-7630

Installs radar, communications and air navigation equipment and systems, and operates defense communications and detection systems. Operates repair and overhaul shops for radar, sonar, communications equipment and diesel electric generators, and an approved test equipment repair and calibration laboratory.

Telecommunications Division
2442 Trenton Avenue
Montreal, Quebec H3P 1Y9
(514) 341-7630

Engineering, manufacturing and marketing or commercial and military land-base microwave communications equipment, ancillaries, and associated supporting test equipment.

Transfer Agent(s):

Canada Permanent Trust Company
600 Dorchester Boulevard West
Montreal, Canada H3B 1N6

Stock Exchange(s): American, Montreal, Toronto

Ticker Symbol: CMW (American), CMCM (Montreal), CMCT (Toronto)

Number of Employees:

1980	2,200	1977	2,010
1979	2,000	1976	1,800
1978	2,010		

Plant Footage:

1980	400,000 sq. ft.	1977	400,000
1979	400,000	1976	400,000
1978	400,000		

Sales and Earnings ‡

	Revenues	Net Income
1980	$112,830,000	$ 12,170,000
1979	84,223,000	7,603,000
1978	57,252,000	4,184,000
1977	58,325,000	2,068,000
1976	58,288,000	4,005,000

	No. of Com. Shares	Earn. per Share
1980	5,943,192	$2.05
1979	5,943,192	1.28
1978	5,943,192	0.70
1977	5,943,192	0.35
1976	5,943,192	0.67

‡ In Canadian dollars.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.425	—	—
1979	0.265	—	—
1978	0.2125	—	—
1977	0.20	—	—
1976	0.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 59,645,000	$10.04
1979	50,001,000	8.41
1978	43,973,000	7.40
1977	41,052,000	6.91
1976	40,173,000	6.76

Income Account *
(000's)

Year ended March 31	1980	1979
Revenues	$ 112,830	$ 84,223
Cost & expenses	90,454	69,872
Depreciation	1,959	1,349
Interest expense	301	331
Income before taxes	$ 20,116	$ 12,671
Income taxes	7,946	5,068
Net Income	$ 12,170	$ 7,603

Assets
(000's)

As of March 31	1980	1979
Cash	$ 2,769	$ 353
Investments	41,892	37,371
Accts. receiv., net	13,700	14,394
Sundry Debtors	1,313	721
*Inventories	22,749	14,463
Prepaid expenses	276	453
Current Assets	$ 82,699	$ 67,755
#Fixed assets	10,029	8,2405
Total Assets	$ 92,728	$ 75,995

Liabilities
(000's)

	1980	1979
Accts. payable & accruals	$ 23,389	$ 16,510
Owing to assoc. cos.	394	214
Income taxes	3,704	3,208
Curr. Liabilities	$ 27,487	$ 19,932
Long-term debt:		
5¾% Unsec. deb.	2,621	3,143
7% Unsec. deb.	1,629	1,890
Deferred inc. taxes	1,346	1,029
+ Capital stock	10,216	10,216
Retained earnings	49,429	39,785
Total Liabilities & Shareholders' Equity	$ 92,728	$ 75,995

*At lower of cost or net realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	17.83	15.04
%Net Income to Revenues	10.79	9.03
%Net Income to Equity	20.45	15.21
Working Capital	$ 55,212,000	$ 47,823,000
Current Ratio	3.01	3.40
Shareholders' Equity	$ 59,645,000	$ 50,001,000

Carco Electronics

195 Constitution Drive
Menlo Park, California 94025
(415) 321-8174

Officers: John M. Carter, president; William M. Schultz, vice president-administration; Samuel R. Curless, vice president-manufacturing; William M. Spont, vice president-technical asst.; John A. Watson, vice president-engineering; G. William Thomson, treasurer; Helen D. Carter, secretary; Rochelle R. Kowalchik, assistant secretary.

Directors: John M. Carter, Emmet G. Cameron, Albert H. Haas, Robert P. Nelson, Jr., Richard T. Orth.

Areas of Work: Two major product lines are flight motion simulators and microwave test systems.

Transfer Agent(s):

Wells Fargo Bank
Redwood City, California

195 Constitution Drive
Menlo Park, California 94025

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	44	1977	45
1979	48	1976	45
1978	50		

Plant Footage:

1980	20,000 sq. ft.	1977	20,000
1979	20,000	1976	20,000
1978	20,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 2,391,458	$ (30,571)
1979	2,064,823	(75,629)
1978	2,559,924	110,053
1977	2,707,318	150,104
1976	1,696,244	73,281

	No. of Com. Shares +	Earn. per Share ‡
1980	193,825	$ —
1979	192,025	—
1978	189,400	0.56
1977	185,800	0.80
1976	185,800	0.39

(Loss)
‡ Based on the weighted average number of common shares and common share equivalents outstanding.
+ Class A and Class B combined.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$ —	—	—
1979	0.15	—	—
1978	0.15	—	—
1977	0.12	—	—
1976	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 870,234	$4.49
1979	898,405	4.68
1978	999,825	5.28
1977	913,691	4.92
1976	785,883	4.23

+ Based on Class A and Class B stock combined.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 2,391,458	$ 2,064,823
Cost of sales	1,912,230	1,638,335
Expenses	536,899	543,738
Loss before taxes	$ (57,671)	$ (117,250)
Tax credit	(27,100)	(41,621)
Net Loss	$ (30,571)	$ (75,629)

*Included in Costs and Expenses, Depreciation: $12,656 in 1980 and $11,757 in 1979.

Assets

As of Sept. 30	1980	1979 ‡
Cash	$ 57,712	$ 180,422
Accts. receiv. net	517,966	216,883
Inc. tax refund	26,079	71,362
Costs & earn. in exc. of billing	201,589	1,161,946
*Inventories	292,968	263,521
Prepaid expenses	6,334	9,294
Current Assets	$ 1,102,648	$ 1,903,428
# Fixed assets	69,355	71,393
Other assets	6,928	7,222
Total Assets	$ 1,178,931	$ 1,982,043

Liabilities

Note payable	$ —	$ 565,000
Accts. payable	131,724	316,329
Accruals	166,861	190,976
Curr. Liabilities	$ 298,585	$ 1,072,305
Deferred inc. taxes	10,112	11,333
+ Capital stock:		
Class A	33,456	33,006
Class B	15,000	15,000
Add. paid-in capital	273,434	271,484
Retained earnings	548,344	578,915
Total Liabilities & Sharholders' Equity	$ 1,178,931	$ 1,982,043

‡ Reclassified to conform to 1980 presentation.
*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value; $0.25 stated value.

Statistical Summary

Sales to Inventories	8.16	7.84
Working Capital	$ 804,063	$ 831,123
Current Ratio	3.69	1.78
Shareholders' Equity	$ 870,234	$ 898,405

CCI Corporation

P.O. Box 51500
Tulsa, Oklahoma 74151
(918) 836-0151

Officers: Robert L. Zeligson, chairman of the board; J.M. Klein, president G.H. Hanauer, Robert B. Wyland, v.p.'s; D.M. Hardin, v.p.-finance; A.F. Ringold, secretary.

Directors: Robert L. Zeligson, J.B. Montgomery, David D. Levy, T.F. Walkowicz, Raymond F. Kravis, J.M. Klein, Donald M. Hardin, Edwin Wienecke, Robert B. Wyland, William H. Kendall.

Divisions and Subsidiaries:

The Marquardt Company
16555 Saticoy Street
Van Nuys, California 91409
(213) 781-2121

Advanced propulsion research, development and production, attitude control rocket engines. Aerospace controls and accessories; proprietary ordnance devices; new product development.

Crane Carrier Group

Crane Carrier Company
1925 N. Sheridan Rd.
Tulsa, Oklahoma 74151
(918) 836-1651

Fabrication Plant
1150 North Peoria Avenue
Tulsa, Oklahoma 74104

Marketing Division
Tulsa, Oklahoma

Equipment carriers; material hauling carriers; OEM dealer and direct sales; lease, rental and full maintenance leasing.

Parts Division
4707 N. Mingo Road
Tulsa, Oklahoma 74117

Operates nationwide parts depots.

Carrier Leasing Corporation
1925 N. Sheridan Rd.
Tulsa, Oklahoma 74151

Safetran Systems Corporation
505 West Ormsby Avenue
Louisville, Kentucky 40203
7721 National Turnpike
Louisville, Kentucky 40214
(502) 361-8459

Rail-highway protection devices; railroad signals and controls; maintenance-of-way equipment transportation; transportation product development; transportationcommunication systems; signal rectifiers and transformers heavy-duty metal castings.

Electro-Mechanical Division
4650 Main Street NE.
Minneapolis, Minnesota 55421
(612) 560-4400

7721 National Turnpike
Louisville, Kentucky 40214
(502) 361-8459

Electronic Division
9271 Arrow Highway
Cucamonga, California 91730
(714) 987-4673

Transportation Engineering Services Company
7721 National Turnpike
Louisville, Kentucky 40214

Safetran Traffic Systems, Inc.
1485 Garden of the Gods Road
Colorado Springs, Colorado 80933

3281 Scott Boulevard
Santa Clara, California 95050

Transfer Agent(s):

Bank of Oklahoma
One Williams Center
Tulsa, Oklahoma 74102

Manufacturers Hanover Trust Company
350 Park Avenue
New York, New York 10022

Stock Exchange(s): New York, Pacific

Ticker Symbol: CCI

Number of Employees:

1979	3,400	1977	2,400
1978	2,400	1976	2,400

Plant Footage:

1979	1,572,432 sq. ft.	1976	2,500,000
1978	2,565,000		

Sales and Earnings

	Net Sales +	Net Income
1980	$257,725,000	$ 9,785,000
1979	234,717,000	13,999,000
1978	213,674,000	6,522,000
1977	168,175,000	3,539,000
1976	122,640,000	(942,000)

	No. of Com. Shares #	Earn. per Share #
1980	6,234,000	$1.57
1979	6,221,000	2.25
1978	5,521,000	1.18
1977	4,624,000	0.77
1976	4,571,000	—

(Loss)
+ Includes other income; of continuing operations only.
# Based on the weighted average number of common shares outstanding.

Revenues By Line of Business

	1980	1979
Heavy-duty trucks	$126,421,000	$114,118,000
Aerospace	56,705,000	62,215,000
Railroad transportation	74,315,000	57,537,000
Corporate	284,000	847,000
Total	$257,725,000	$234,717,000

CCI Corporation

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 61,366,000	$9.84
1979	51,486,000	8.28
1978	37,219,000	6.74
1977	21,515,000	4.65
1976	17,976,000	3.93

‡ Based on the weighted average number of shares outstanding.

Income Account *
(000's)

Year ended April 30	1980	1979
Net sales & other income	$ 257,725	$ 234,717
Cost of sales	197,648	185,387
Expenses	35,561	29,086
Interest expense	6,690	4,824
Income before taxes	$ 17,826	$ 15,420
Income taxes	7,675	5,470
Equity in loss (earnings) of uncons. subs.	366	(88)
Income-cont. oper.	$ 9,785	$ 10,038
Income-discont. oper.	—	3,961
Net Income	$ 9,785	$ 13,999

* Included in Costs and Expenses, Depreciation and Amortization: $2,804,000 in 1980 and $2,461,000 in 1979.

Assets
(000's)

As of April 30	1980	1979
Cash	$ 6,381	$ 7,594
Receiv., net	33,362	29,801
Deferred tax benefits	3,404	3,383
*Inventories	80,184	67,740
Prepaid expenses	375	421
Current Assets	$ 123,706	$ 108,939
Invest. in unconsol. leasing subsid.	1,337	1,038
Due from unconsol. leasing subsid.	311	—
# Fixed assets	25,896	24,118
Other assets & defer. charges	2,572	2,477
Intangibles	8,964	9,085
Total Assets	$ 162,786	$ 145,657

Liabilities
(000's)

	1980	1979
Notes payable	$ 7,000	$ —
Long-term debt, curr	1,073	1,081
Accts. payable	22,044	21,883
Accruals & other liabilities	17,867	20,620
Curr. Liabilities	$ 47,984	$ 43,584
Deferred income	2,191	1,509
Deferred income taxes	3,347	3,010
Long-term debt	46,752	44,822
Due to uncons. subs.	—	100
Est. Federal for excise tax	1,146	1,146
+Common stock	3,114	3,086
Add. paid-in capital	23,176	23,109
Retained earnings	35,972	26,187
Treasury stock	(41)	(41)
Officers' notes receiv.	(855)	(855)
Total Liabilities Shareholders' Equity	$ 162,786	$ 145,657

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.92	—
%Net Income to Sales	3.80	—
%Net Income to Equity	15.95	27.19
Working Capital	$ 75,722,000	$ 65,355,000
Current Ratio	2.58	2.50
Shareholders' Equity	$ 61,366,000	$ 51,486,000

Centronics Data Computer Corp.

Hudson, New Hampshire 03051
(603) 883-0111

Officers: Robert Howard, chairman of the board & chief exectuive officer; John Tincler, president & chief operating officer; Max Hugel, exec. v.p.; David Levi, exec. v.p.; John I. Anderson, Jr., v.p. & controller; Robert Kilcullen, v.p.-Quietwriter products; Ralph Eichsteadt, v.p.-field engineering; George Rea, v.p.-microcomputer printers; Warren E. Allen, Jr., v.p.-sales; Terrence Harris, v.p.-European Operations; Hector Pineiro, v.p.-Centronics Puerto Rico; Robert Stein, sr. v.p.-finance; J. Gerard Cregan, v.p.-operations; Richard Lorrigan, corporate communications manager; Edward Corell, v.p.-engineering; Jeffrey Weinstein, secretary & general counsel; Richard W. Northup, v.p.-materials.

Directors: Robert Howard, chairman; Emanuel Litwin, Michael D. Kaufman, Martin Cohen, Max Hugel, William Rosenberg, William Seltz, Jeremiah Sundell.

Areas of Work: Designs, manufactures and markets matrix and line printers, teleprinters and non-impact printers for the computer, data processing and communications industries.

Subsidiaries:

Centronics Export Sales Corp.
Centronics Sales and Service Corp.
Centronics Data Computer (France) S.A.
Cennronics Data Computer (UK) Ltd.
Centronics Data Computer GmbH
Centronics of Puerto Rico, Inc.
Centronics Data Compter (Canada) Ltd.
Centronics International Corp.
Centronics Sales Corp.
Centronics Financial Corp.
Centronics Ireland B.V.
Centronics Data Computer (Italia) SpA
Centronics Manufacturing of Puerto Rico, Inc.

Transfer Agent(s):

First National Bank of Boston
Boston, Massachusetts 02110

Stock Exchange(s): New York

Ticker Symbol: CEN

Number of Employees:

1980	2,800	1977	1,300
1979	2,600	1976	950
1978	1,780		

Plant Footage:

1980	596,000 sq. ft.	1977	244,000
1979	600,000	1976	235,000
1978	550,000		

Sales and Earnings

	Net Revenues	Net Income
1980	$130,691,056	$ 18,007,748
1979	121,532,724	18,386,410
1978	75,018,308	13,731,514
1977	58,037,445	12,546,151
1976	52,176,633	9,763,615

	No. of Com. Shares	Earn. per Share ‡
1980	5,970,722	$3.01
1979	5,857,477	3.10
1978	5,801,819	2.35
1977	5,783,000	2.08
1976	6,014,953	1.62

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$1.00	—	—
1979	1.00	—	—
1978	1.00	—	—
1977	0.68	—	5-for4#
1976	0.24	—	—

‡ Adjusted to reflect stock split.
# In the form of a 25% stock distribution.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 73,878,915	$12.37
1979	60,126,429	10.26
1978	46,754,339	8.06
1977	38,492,321	6.66
1976	34,690,510	5.77

‡ Adjusted to reflect stock split.

Income Account *

Year ended June 30	1980	1979
Revenues	$130,691,056	$121,532,724
Cost of sales	80,510,548	72,563,690
Expenses	25,299,985	19,909,230
Interest expense	10,584,775	6,077,394
Income before taxes	$ 14,295,748	$ 22,982,410
Income taxes (credit)	(3,712,000)	4,596,000
Net Income	$ 18,007,748	$ 18,386,410

* Included in Costs and Expenses, Depreciation, $2,999,295 in 1980 and $2,202,976 in 1979.

Assets

As of June 30	1980	1979 ‡
Cash	$ 2,809,235	$ 5,315,105
Accts. receiv., net	40,377,453	30,804,083
*Inventories	59,355,447	60,819,933
Prepaid expenses & other assets	1,308,783	1,250,710
Deferred taxes	746,909	1,837,954
Current Assets	$104,597,827	$100,027,785
#Fixed assets	27,669,717	22,894,583
Other assets	35,762,692	35,949,980
Total Assets	$168,030,236	$158,872,348

Liabilities

	1980	1979 ‡
Notes payable	$ 12,888,731	$ 13,192,204
Long-term debt, current	3,401,494	3,333,332
Accts. payable	7,007,821	11,335,433
Accruals	6,972,801	6,101,201
Dividends payable	1,492,378	1,462,502
Income taxes	4,477,175	9,718,638
Curr. Liabilities	$ 36,240,400	$ 45,143,310
Long-term debt	56,902,114	52,833,335
Deferred inc. taxes	1,008,807	769,274
+Common stock	59,707	58,575
Add. paid-in capital	9,866,678	8,209,365
Retained earnings	63,952,530	51,858,489
Total Liabilities & Shareholders' Equity	$168,030,236	$158,872,348

‡ Reclassified for comparative purposes.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Revenues	10.94	18.91
%Net Income to Revenues	13.78	15.13
%Net Income to Equity	24.37	30.58
Working Capital	$ 68,357,427	$ 54,884,475
Current Ratio	2.89	2.22
Shareholders' Equity	$ 73,878,915	$ 60,126,429

Cessna Aircraft Company

5800 Pawnee Road
P.O. Box 1521
Wichita, Kansas 67201
(316) 685-9111

Officers: Russell W. Meyer, Jr., chairman of the board & president; Charles B. Husick, sr. v.p.-fluid power & aircraft systems divisions; Robert P. Bauer, sr. v.p.-finance; Robert L. Lair, sr. v.p.-marketing; William L. Worford, sr. v.p.-personnel & community relations; Homer G. Nester, v.p. & controller; Pierre Clostermann, v.p.; David R. Edwards, secretary.

Directors: Sheldon Coleman, William L. Dibble, Donald C. Slawson, Kenneth J. Wagnon, Delbert L. Roskam, Dwane L. Wallace, Robert P. Bauer, Robert L. Lair, Russell W. Meyer, Jr.

Areas of Work: Manufactures prop & jet commercial aircraft and jet fighters for military use, and handles contract work for airplane components. Engaged in the manufacture of avionics, propellers and other accessories for general aviation; produces airborne navigation, communication, aircraft guidance and radar response devices and systems. Also manufactures fluid power systems and products, including hydraulic cylinders, valves and controls, pumps and complete hydraulic systems for agricultural, industrial equipment and materials handling manufactures.

Divisions:

Pawnee Division
Wichita, Kansas 67102

Wallace Division
Wichita, Kansas 67201

Fluid Power Division
P.O. Box 1028
Hutchinson, Kansas 76501
(316) 662-5411

McCauley Accessory Division
3535 McCauley Drive
P.O. Box 430
Dayton, Ohio 45377
(513) 890-5246

Aircraft Radio and Control Division
Boonton, New Jersey 07005
(201) 334-1800

Commercial Aircraft Marketing Division
P.O. Box 1521
Wichita, Kansas 76201

Commercial Jet Marketing Division
P.O. Box 1107
Wichita, Kansas 67201
(316) 942-1371

Subsidiaries:

Cessna Finance Corporation
P.O. Box 308
Wichita, Kansas 76201
(316) 685-5456

Cessna International Finance Corp.
P.O. Box 2078
Wichita, Kansas 67201
(316) 685-3705

Cessna Fluid Power Limited
Glenrothes, Scotland

Reims Aviation, S.A.
Reims, France

Transfer Agent(s):

The Bank of New York
90 Washington Street
New York, New York 10015

Fourth National Bank & Trust Company
P.O. Box 1090
Wichita, Kansas 67201

Stock Exchange(s): New York, Pacific

Ticker Symbol: CEA

Number of Employees:

1980	18,024	1977	16,065
1979	18,956	1976	13,947
1978	16,993		

Sales and Earnings

	Net Sales	Net Income
1980	$1,000,060,521	$ 28,121,554
1979	939,311,000	45,954,547
1978	759,354,256	35,599,395
1977	620,472,369	36,936,809
1976	493,132,121	29,688,934

	No. of Com. Share #	Earn. per Share #
1980	18,667,264	$1.51
1979	18,586,523	2.47
1978	18,231,837	1.95
1977	17,638,066	2.09
1976	17,160,688	1.73

# Based on weighted average number of common shares outstanding adjusted to reflect stock dividends and stock split.

Revenues By Line of Business

	1980	1979	1978	1977
Aircraft products	87%	87%	88%	87%
Fluid power products	13	13	12	13
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$0.59	5%	—
1979	0.76	5%	—
1978	0.68	—	2-for-1
1977	0.57	—	—
1976	0.46	5%	—

‡ Adjusted to reflect stock dividends and stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$290,013,951	$15.53
1979	272,267,230	14.60
1978	238,975,754	12.91
1977	211,361,625	11.76
1976	176,736,306	10.21

‡ Adjusted to reflect stock dividends and stock split.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$1,000,060,521	$939,311,010
Other income	17,497,122	10,694,353
Total income	$1,017,557,643	$950,005,363
Cost of sales	823,757,070	737,771,386
Expenses	78,210,176	73,568,448
Depreciation	8,937,055	8,167,527
Interest expense	26,279,785	17,057,687
Misc. taxes	25,234,554	23,333,768
Income before taxes	$ 55,139,554	$ 90,106,547
Income taxes	27,018,000	44,152,000
Net Income	$ 28,121,554	$ 45,954,547

Assets

As of Sept. 30	1980	1979
Cash	$ 11,243,660	$ 10,750,579
Accts. & notes receiv., net	85,413,792	91,691,705
* Inventories	282,716,440	288,616,785
Deferred inc. tax benefits	13,985,000	12,052,000
Prepaid expenses	316,849	905,112
Current Assets	$393,675,741	$404,016,181
Investments	80,157,508	63,140,033
# Fixed assets	81,675,133	73,901,679
Defer. charges & other assets	27,517,624	22,170,359
Total Assets	$583,026,006	$563,228,252

Liabilities

	1980	1979
Notes payable	$ 35,000,000	$ 32,000,000
Long-term debt, curr.	2,411,250	2,467,500
Accts. payable	50,073,309	64,129,620
Accruals	87,528,616	79,356,942
Customer deposits	60,717,214	45,370,014
Income taxes	1,880,416	12,227,446
Curr. Liabilities	$237,610,805	$235,551,522
Long-term debt	37,525,250	40,215,500
Deferred inc. taxes	17,876,000	15,194,000
+ Common stock	18,711,202	17,793,473
Add. paid-in capital	66,947,770	50,714,663
Retained earnings	207,758,059	207,549,503
Treasury stock	(410,363)	(214,114)
Restricted stock plan	(2,992,717)	(3,576,295)
Total Liabilities & Shareholders' Equity	$583,026,006	$563,228,252

* At lower of cost (LIFO) or estimated value.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.51	9.59
%Net Income to Sales	2.81	4.89
%Net Income to Equity	9.70	16.88
Sales to Inventories	3.54	3.25
Working Capital	$156,064,936	$168,464,659
Current Ratio	1.66	1.72
Shareholders' Equity	$290,013,951	$272,267,230

Cetec Corporation

9900 Baldwin Place
El Monte, California 91731
(213) 442-8840

Mailing Address:

P.O. Box 5348
El Monte, California 91731

Officers: Hugh P. Moore, chairman of the board; Robert A. Nelson, president & chief executive offier; Rodney C. Minium, Edward W. Watts, vice presidents; George M. McCollister, secretary & treasurer; Theodore J. Budzan, Paul E. Sexton, asst. secretaries.

Directors: Hugh P. Moore, Richard A. Campbell, Robert C. Sherburne, John E. Fields, Richard C. Fuller, Robert A. Nelson, Frederick E. Witt.

Areas of Work: Major business segments include broadcast and related products, computer peripheral products, and industrial products. Operations in the broadcast segment consist primarily of the design, manufacture and marketing of radio broadcasting equipment and professional audio duplicating equipment and loudspeakers. Operations in the computer segment include the design, manufacture and marketing of products used in communicating data to computers. The industrial segment produces rigid, semi-rigid, and flexible extruded vinyl products having numerous applications, and a variety of injection molded products; manufactures and markets automatic pilots to the boating industry; and is a distributor of electronic components to other equipment manufacturers.

Cetec Corporation

Divisions and Subsidiaries:

Cetec Anco Division
1720 North Santa Anita Avenue
South El Monte, California 91733
(213) 579-1900

Manufactures extruded vinyl products for construction, mobile homes, electronics and furniture industries.

Cetec Benmar Division
3000 West Warner Avenue
Santa Ana, California 92704
(714) 540-5120

Products include depth sounders, automatic pilots, direction finders, radar andrelated products for the pleasure yachting and commercial markets.

Automated Business Concepts Division
7204 Clairemont Mesa Boulevard
San Diego, California 92111
(714) 560-1647

Cetec Gauss Division
9130 Glenoaks Boulevard
Sun Valley, California 91352
(213) 875-1900

Professional audio and duplicating equipment, and loudspeakers.

Cetec Electronics Division
5610 East Imperial Highway
South Gate, California 90280
(213) 733-6521

Distributors of electronic components, electrical connectors, potentiometers, tantalum capacitors, transformers and resistors. The Division serves California with offices in Los Angeles, San Francisco, and San Diego.

Cetec Vega Division
9900 Baldwin Place
El Monte, California 91731
(213) 442-0782

Products include wireless microphone systems, microphones, tone and analog telemetry systems and components.

Cetec Antennas Division
6939 Power Inn Road
Sacramento, California 95828
(916) 383-1177

Produces circularly polarized FM and TV antennas, FM antennas, harmonic filters, military antennas, match diplexers. VSB filters, filterplexers, and special supporting towers.

Cetec International Ltd.
16 Uxbridge Road
Ealing (London) England

Markets and services U.S. built Cetec products lines in Europe.

CBG Division
1110 Mark Avenue
Carpinteria, California 93013

Radio automation products and polarized TV transmitting antennas.

Cetec Guardian Division
1428 North Manzanita Street
Orange, California 92667

Supplies injuction-molded plastic containers and components to the health care and electronics industries.

Transfer Agent(s):

United California Bank
600 Spring Street
Los Angeles, California 90014

Stock Exchange(s): American, Pacific

Ticker Symbol: CEC

Number of Employees:

1980	602	1977	752
1979	792	1976	753
1978	879		

Plant Footage:

1980	334,000 sq. ft.	1977	380,000
1979	401,000	1976	380,000
1978	380,000		

Sales and Earnings

	Net Sales‡	Net Income
1980	$ 56,142,000	$ 1,575,000
1979	53,577,000	1,489,000
1978	41,281,000	1,011,000
1977	36,269,000	790,000
1976	29,787,000	566,000

	No. of Com. Shares#	Earn. per Share#
1980	2,187,000	$0.72
1979	2,143,000	0.69
1978	2,136,000	0.47
1977	2,195,000	0.36
1976	2,226,000	0.25

‡ Of continuing operations only.
# Based on the weighted average number of common shares and dilutive common share equivalents outstanding.

Revenues By Line of Business

	1980	1979
Cetec electronics group	$ 30,574,000	$ 25,899,000
Cetec broadcast group	15,198,000	16,905,000
Cetec industrial group	10,357,000	11,024,000
Miscellaneous & eliminations	13,000	(251,000)
Discont. computer oper.	4,636,000	11,799,000
Total	$ 60,778,000	$ 65,376,000

Common Stock Equity

	Total Equity ‡	Equity Per Share #
1980	$ 12,164,000	$5.56
1979	10,712,000	5.00
1978	9,367,000	4.39
1977	8,833,000	4.02
1976	8,402,000	3.77

‡ After allowing for preferred shares at a redemption value of $10 per share.
# Based on weighted average number of common shares and dilutive common share equivalents outstanding.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 56,142,000	$ 53,577,000
Cost of sales	41,352,000	40,431,000
Expenses	11,233,000	10,060,000
Interest expense	1,008,000	849,000
Income before taxes	$ 2,549,000	$ 2,237,000
Income taxes	1,171,000	1,095,000
Inc. from cont. oper.	$ 1,378,000	$ 1,142,000
Inc. from discont. oper.	197,000	347,000
Net Income	$ 1,575,000	$ 1,489,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,042,000 in 1980 and $1,117,000 in 1979.

Assets

	1980	1979
Cash	$ 1,093,000	$ 1,527,000
Accts. receiv. net	6,741,000	8,341,000
*Inventories	10,293,000	12,499,000
Prepaid expenses	618,000	574,000
Current Assets	$ 18,745,000	$ 22,941,000
#Fixed assets	6,015,000	5,527,000
Other assets	812,000	279,000
Intangibles	685,000	856,000
Total Assets	$ 26,257,000	$ 29,603,000

Liabilities

Notes payable	$ 25,000	$ 400,000
Long-term debt, curr.	1,123,000	551,000
Accts. payable	3,137,000	6,548,000
Accruals	1,282,000	2,195,000
Accrued payroll	1,021,000	1,379,000
Income taxes	303,000	1,424,000
Curr. Liabilities	$ 6,891,000	$ 12,497,000
Long-term debt	6,638,000	6,216,000
Deferred inc. taxes	386,000	—
+ Preferred stock	178,000	178,000
+ + Common stock	594,000	585,000
Add. paid-in capital	4,511,000	4,378,000
Retained earnings	7,144,000	5,834,000
Treasury stock	(85,000)	(85,000)
Total Liabilities & Shareholders' Equity	$ 26,257,000	$ 29,603,000

* At lower of cost (FIFO and LIFO) or market.
# Less accumulated depreciation and amortization.
+ $10 par value.
+ + No par value.

Statistical Summary

%Net Income to Equity	12.76	13.67
Sales to Inventories	5.45	4.29
Working Capital	$ 11,854,000	$ 10,444,000
Current Ratio	2.72	1.84
Shareholders' Equity	$ 12,342,000	$ 10,890,000

Cetron Electronic Corporation

715 Hamilton Street
Geneva, Illinois 60134
(312) 232-4140

Officers: Emil L. Makar, chairman of the board & president; Anthony Packard, secretary & general counsel; Leonard R. Prange, treasurer; Thomas R. Sweet, v.p.

Directors: Lawrence G. Lavengood, Anthony Packard, Emil L. Makar, Richard Lindholm, Thomas R. Sweet.

Areas of Work: Engaged in the manufacture and distribution of special purpose industrial vacuum tubes consisting of phototubes, cold cathode tubes, industrial receiving tubes, and power tubes. The latter inludes rectifiers, thyratrons, and triodes, both high vacuum and gas filled types.

Subsidiaries:

Cetron International Sales Corporation (DISC)

Transfer Agent(s):

LaSalle National Bank
135 S. LaSalle Street
Chicago, Illinois 60606

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CELC (NASDAQ)

Number of Employees:

1980	155	1977	135
1979	155	1976	130
1978	155		

Plant Footage:

1980	45,000 sq. ft.	1977	45,000
1979	45,000	1976	45,000
1978	45,000		

Sales and Earnings

	Net Sales	Net Income †
1980	$ 5,138,962	$ 603,300
1979	5,311,741	698,938
1978	4,931,819	553,895
1977	3,852,331	441,824
1976	3,354,017	308,570

	No. of Com. Shares	Earn. per Share †
1980	1,112,834	$0.48
1979	1,293,639	0.54
1978	1,293,639	0.43

1977	1,293,639	0.34
1976	1,293,639	0.24

† Including extraordinary loss of $43,365 ($0.03 per share) in 1978.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.20	—	—
1979	0.19	—	—
1978	0.13	—	—
1977	0.10	—	—
1976	0.05	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,955,075	$2.66
1979	3,310,926	2.56
1978	2,857,778	2.21
1977	2,472,055	1.91
1976	2,159,595	1.67

Income Account *

Year ended Nov. 30	1980	1979
Net sales	$ 5,138,962	$ 5,311,741
Other income	112,379	83,609
Total income	$ 5,251,341	$ 5,395,350
Cost of sales	3,508,026	3,488,242
Expenses	615,015	558,170
Income before taxes	$ 1,128,300	$ 1,348,938
Income taxes	525,000	650,000
Net Income	$ 603,300	$ 698,938

* Included in Costs and Expenses, Depreciation and Amortization: $103,499 in 1980 and $96,979 in 1979.

Assets

As of Nov. 30	1980	1979
Cash	$ 82,788	$ 212,944
Short-term invest.	1,211,286	907,746
Accts. receiv., net	400,430	399,159
*Inventories	1,244,895	1,314,352
Prepaid expenses	47,410	21,348
Current Assets	$ 2,986,809	$ 2,855,549
#Fixed assets	941,817	931,967
Other assets	33,624	34,443
Total Assets	$ 3,962,250	$ 3,821,959

Liabilities

	1980	1979
Note payable	$ 632,800	$ —
Accts. payable	49,918	123,151
Accruals	36,940	29,352
Accrued payroll	198,608	176,522
Income taxes	88,909	182,008
Curr. Liabilities	$ 1,007,175	$ 511,033
+Common stock	323,410	323,410
Add. paid-in capital	376,133	376,133
Retained earnings	2,955,956	2,611,383
Treasury stock	(700,424)	—
Total Liabilities & Shareholders' Equity	$ 3,962,250	$ 3,821,959

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $0.25 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	21.96	25.40
%Net Income to Sales	11.74	13.16
%Net Income to Equity	20.42	21.11
Sales to Inventories	4.13	4.04
Working Capital	$ 1,979,634	$ 2,344,516
Current Ratio	2.97	5.59
Shareholders' Equity	$ 2,955,075	$ 3,310,926

Chrysler Corporation

P.O. Box 1919
Detroit, Michigan 48288
(313) 956-5252

Officers: Lee A. Iacocca, chairman of the board; J. Paul Bergmoser, president; E.F. Laux, vice chairman; Richard E. Dauch, exec. v.p.- Stamping, Assembly and Diversified Operations; John B. Naughton, Sr.; exec. v.p. - sales & marketing; Stephan Sharf, exec. v.p. - mfg.; Harold K. Sperlich, exec. v.p. - engineering & product development; Richard A. Vining, exec. v.p.; Frank O. Anderson, II, v.p.; Gordon E. Areen, v.p. - Chrysler Corp., chairman - Chrysler Financial Corporation; Baron K.Bates, v.p. - public relations; George F. Butts, v.p. - quality & productivity; John W. Day, group v.p. & controller; Don R. DeLaRossa, v.p. - product design; L. Donald Gschwind, v.p. - product planning; Paul A. Heinen, v.p., general counsel & secretary; Wendell W. Larsen group v.p. - public affairs Jerry L. Mathis, v.p. - stamping & assembly operations; R.S. Miller, Jr., v.p. & treasurer; Thomas W. Miner, v.p. - industrial relations; David R. Platt group v.p. -procurement & supply; Jerry H. Pyle, v.p. - U.S. automotive sales; Lee H. Runk, v.p. - power train division; E. Harwood Rydholm, v.p. - civic affairs; E.E. Sivacek, v.p.; Glenn E. White, v.p. - personnel & administration; John D. Withrow, Jr., v.p. - engineering.

Directors: Lee A. Iacocca*, chairman of the board: J. Paul Bergmoser*, John H. Coleman*, A.Jean de Grandpre, J. Richardson Dilworth*, Gerald Greenwald, Martha W. Griffiths, Najeeb E. Halaby, Anthony J.A. Bryan, Harold K. Sperlich, Douglas A. Tracer, Gabriel Hauge*, William R. Hewlett*, Jerome H. Holland, Tom Killefer, Ray W. Macdonald, Robert B. Semple*, George B. Young*

*Member of Executive Committee.

Areas of Work: Products include cars, trucks, automotive parts and accessories, defense and space products, outboard motors, inboard marine engines and industrial engenes, powder metal products and chemical products.

Non Automotive Plants & Division:

Chrysler Outboard Plant
Hartford, Wisconsin

Chrysler Detroit Tank Plant
Warren, Michigan

Chrysler Scranton Defense Plant
Eynon, Pennsylvania

Defense Operations
Centerline, Michigan

Troy Defense Plant
Trov, Michigan

Lima Tank
Lima, Ohio

Space Division Michoud Plant
New Orleans, Louisiana

Sterling Defense Plant
Sterling Heights, Michigan

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York

The First National Bank of Chicago
Chicago, Illinois

National Bank of Detroit
Detroit, Michigan

Montreal Trust Company
Montreal and Toronto, Canada

Stock Exchange(s): New York, Midwest, Philadelphia, Pacific, Montreal, Toronto, Paris, London, Frankfurt, Geneva, Basel, Zurich.

*Listed and/or traded.

Number of Employees:

1980	92,596	1976	244,865
1979	133,811	1975	217,594
1978	157,958		
1977	162,478		

Plant Footage:

1979	69,971,000 sq.ft.	1976	72,972,409
1978	68,678,800	1975	71,351,700
1977	68,678,800		

*In United States only.

Sales and Earnings

	Net Sales (000's)	Net Income † (000's)
1980	$ 9,225,300	$ (1,709,700)
1979	12,002,000	(1,097,000)
1978	13,618,000	(205,000)
1977	13,059,000	163,200
1976	12,240,000	422,600

	No.of Com. Shares ‡	Earn. per Share ‡ †
1980	66,871,000	$ —
1979	65,552,000	—
1978	61,679,000	—
1977	60,278,000	2.71
1976	60,205,000	7.02

(Loss)
‡ Based on the average number of shares outstanding.
† Including extraordinary credits of $38,400,000 ($0.64 per share) in 1977 and $94,400,000 ($1.57 per share) in 1976.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$ —	—	—
1979	0.20	—	—
1978	0.85	—	—
1977	0.90	—	—
1976	0.30	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1979	$ 1,605,400‡	$23.49
1978	2,709,500‡	42.06
1977	2,924,600	48.51
1976	2,815,300	46.73

‡ After allowing for preferred stock at redemption value.

Income Account *
(000's)

Year ended Dec.31	1980	1979
Net sales	$ 9,225,300	$ 12,001,900
Eq. in net earn of unconsol. subsid.	56,500	2,400
Total income	$ 9,168,800	$ 12,004,300
Cost of sales	9,132,500	11,631,500
Expenses	561,300	598,500
Depreciation & amortization	567,300	400,600
Pension benefit	302,400	260,600
Interest expense	275,500	215,400
Loss before taxes	$ (1,670,200)	$ (1,102,300)
Income taxes (credit)	39,500	(5,000)
Net Loss	$ (1,709,700)	$ (1,097,300)

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 101,100	$ 188,200
Time deposits	2,600	120,800
Marketable securities	193,600	165,300
Accts. receiv. net	476,200	610,300
*Inventories	1,916,000	1,873,800
Inc. taxes allocable to following	70,100	60,000
Prepaid expenses	101,600	102,300

Current Assets	$ 2,861,200	$ 3,120,700
Investments & other assets	1,236,600	1,183,500
# Fixed assets	2,520,000	2,348,900
Total Assets	$ 6,617,800	$ 6,653,100

Liabilities
(000's)

Long-term debt, curr.	$ 166,200	$ 275,600
Accts. payable	1,909,500	1,530,400
Accruals	790,800	807,900
Short-term debt	150,500	600,900
Income taxes	12,300	16,800
Curr. Liabilities	$ 3,029,300	$ 3,231,600
Long-term debt:		
Notes and debentures payable	2,321,400	880,700
Conv. sinking fund deben.	83,900	96,000
Subordinated debentures	78,000	—
Deferred Emp.benefit plan	353,900	301,400
Deferred inc. taxes	71,600	83,000
Profits on sales to subsid.	31,000	47,000
Other liab.	190,400	188,600
+ Preferred stock:		
$2.75 shares	220,300	218,700
8¼% shares	342,900	—
+ + Common stock	418,600	416,900
Add paid-in capital	692,400	692,200
Retained earnings (deficit)	(1,215,000)	496,300
Total Liabilities & Shareholders' Equity	$ 6,617,800	$ 6,653,100

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.
+ + $6.25 par value.

Clarostat Mfg. Co., Inc.

Washington Street
Dover, New Hampshire 03820
(603) 742-1120

Officers: Glen E. Swanson, chairman of the board and president; Russell E. White, executive vice president; vice pesidents: James F. Smith-sales, Frank L. Ward-engineering; Arthur Richenthal, secretary and treasurer.

Directors: Steven F. Gross, Arthur Richenthal, Glen E. Swanson, Russell E. White.

Areas of Work: Engaged in the manufacture and sale of resistors, rheostats, potentiometers, resistor networks, switches in both wire wound and conductive plastic forms. Also engaged in the design, development and manufacture of electro-mechanical switching devices.

Subsidiaries:

Clarostat-Richmond, Inc.
Richmond, Maine 04357
(603) 742-1120

Clarostat-Gorham, Inc.
Gorham, Maine
(603) 742-1120

Clarostat-Norway, Inc.
Norway, Maine
(603) 742-1120

Mason Electric Company, Inc.
440 West Los Feliz Boulevard
Glendale, California 90024
(213) 240-6800

Clarostat (India) Limited
(55% owned)

Transfer Agent(s):

American Transfer Co.
44 Beaver Street
New York, New York 10004

Stock Exchange(s): American

Ticker Symbol: CLR

Number of Employees:

1980	725	1977	767
1979	814	1976	707
1978	826		

Plant Footage:

1980	384,000 sq. ft.	1977	384,000
1979	384,000	1976	384,000
1978	384,000		

Sales and Earnings

	Net Sales ‡	Net Income
1980*	$ 20,242,899	$ 532,579
1979	19,027,362	526,717
1978	15,924,193	857,490
1977	13,416,885	495,284
1976	11,718,462	683,263

	No. of Com. Shares	Earn. per Share
1980	554,194	$0.96
1979	554,194	0.95
1978	554,194	1.55
1977	554,194	0.89
1976	554,194	1.23

* 53 weeks.
‡ Includes other revenues; of continuing operations only.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 8,723,794	$15.74
1979	8,191,215	14.78
1978	7,664,498	13.83
1977	6,807,008	12.28
1976	6,311,724	11.39

Income Account *

Year ended	1/3/81 (53 weeks)	12/29/79
Net sales & other revenues	$ 20,242,899	$ 19,027,362
Cost of sales	15,673,340	14,951,779
Expenses	3,049,413	2,679,137
Research & develop.	527,240	458,842
Interest expense	42,127	42,887
Income before taxes	$ 950,779	$ 894,717
Income taxes	418,200	368,000
Net Income	$ 532,579	$ 526,717

* Included in Costs and Expenses, Depreciation: $504,583 in 1980 and $504,590 in 1979.

Assets

As of	1/3/81	12/29/79
Cash	$ 468,994	$ 410,984
Cert. of deposit	503,852	—
Accts. receiv., net	2,536,573	2,284,012
*Inventories	4,121,131	4,539,225
Prepaid expenses & sundry receiv.	319,209	406,677
Current Assets	$ 7,949,759	$ 7,640,898
Investments	37,775	37,775
#Fixed assets	2,539,180	2,707,923
Total Assets	$ 10,526,714	$ 10,386,596

Liabilities

Long-term debt, curr.	$ 25,000	$ 57,121
Accts. payable	542,170	891,255
Accrued payrolls & other expenses	573,216	571,931
Income taxes	42,634	—
Curr. Liabilities	$ 1,183,020	$ 1,520,307
Long-term debt	375,000	422,474
Deferred inc. taxes	244,900	252,600
+ Common stock	554,194	554,194
Add. paid-in capital	979,909	979,909
Retained earnings	7,189,691	6,657,112
Total Liabilities & Shareholders' Equity	$ 10,526,714	$ 10,386,596

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.70	4.70
%Net Income to Sales	2.63	2.77
%Net Income to Equity	6.10	6.43
Working Capital	$ 6,766,739	$ 6,120,591
Current Ratio	6.72	5.03
Shareholders' Equity	$ 8,723,794	$ 8,191,215

Cognitronics Corporation

25 Crescent Street
Stamford, Connecticut 06906
(203) 327-5307

Officers: David H. Shepard, chairman; William J. Lawless, Jr., president; Harvey L. Cook, v.p.-technical advisor; Edward J. Gushue, v.p.-contract management; D. Clark Murphy, v.p.-OCR Contract Sales; Robert Barron, v.p.-maufacturing; Gerard Insolia, v.p.-engineering; Matthew J. Flanigan, v.p. sales; Ralph Palermo, v.p.; Harold F. Mayer, secretary & treasurer.

Directors: Ralph Palermo, David H. Shepard, Edward J. Gushue, H.. George Wilde, Hugh C. Wolfe, William J. Lawless, Jr., Harvey L. Cook, Richard K. Van Nostrand.

Divisions and Subsidiaries:

OCR Division
25 Crescent Street
Stamford, Connecticut 06906
(203) 327-5307

also:

1922 Isaac Newton Square
Reston, Virginia 22298
(703) 471-5060

Manufactures and markets OCR equipment.

Speechmaster Division
25 Crescent Street
Stamford, Connecticut 06906
(203) 327-5307

Manufactures and markets hardware that allows computers to provide direct voiceresponse of the data retained in their stored memories.

Stamford Tool & Die-Customatic Division
25 Crescent Street
Stamford, Connecticut 06906
(203) 327-5307

Manufactures machined parts and designs and develops special tools, dies, and phototype parts with heavy emphasis on high tolerance precision works.

Transfer Agent(s):

The Bank of New York
90 Washington Street
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: COGN (NASDAQ)

Number of Employees:

1980	161	1979	150

Plant Footage:

1980	47,000 sq. ft.	1979	47,000

Sales and Earnings

	Revenues +	Net Income ×
1980	$ 9,908,790	$ 1,001,878
1979	7,942,587	526,822
1978	5,718,525	150,025
1977	4,906,957	(156,974)
1976	5,521,077	(163,157)

	No. of Com. Shares	Earn. per Share‡ ×
1989	1,539,110	$0.65
1979	1,517,562	0.35
1978	1,499,543	0.10
1977	1,498,543	—
1976	1,495,385	—

(Loss)

+ Includes net sales, rentals and other income.

× Including extraordinary credits of $196,000($0.13 per share) in 1980, $229,000 ($0.15 per share) in 1979 and $62,000 ($0.04 per share) in 1978.

‡ Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 4,080,225	$2.65
1979	3,050,865	2.01
1978	2,505,108	1.67
1977	2,354,083	1.57
1976	2,509,044	1.68

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 8,695,697	$ 6,935,523
Other income	1,213,093	1,007,064
Total income	$ 9,908,790	$ 7,942,587
Cost of sales & service	6,232,277	5,328,447
Expenses	2,296,317	1,872,456
Interest expense	206,318	191,862
Income bef. taxes	$ 1,173,878	$ 549,822
Income taxes	368,000	252,000
Net Income	$ 805,878	$ 297,822
Extraord. gain	196,000	229,000
Net Income & extraord. gain	$ 1,001,878	$ 526,822

Assets

As of Dec. 31	1980	1979
Cash	$ 120,687	$ 92,823
Accts. receiv., net	1,992,161	1,619,116
*Inventories	1,938,568	1,968,653
Investments, curr.	80,466	—
Other assets	54,376	61,203
Current Assets	$ 4,186,258	$ 3,741,795
Equip. for leasing	292,995	419,657
Investments, non-curr.	200,418	—
#Fixed assets	1,421,150	1,075,641
Deposits & other assets	103,672	70,332
Total Assets	$ 6,204,493	$ 5,307,425

Liabilities

Notes payable	$ 900,000	$ 1,150,000
Long-term debt, curr	50,458	44,430
Accts. payable	534,630	561,957
Accruals	548,995	359,530
Curr. Liabilities	$ 2,034,083	$ 2,115,917
Long-term debt	90,184	140,643
+ Common stock	307,822	303,512
Add. paid-in capital	6,745,953	6,722,781
Deficit	(2,973,550)	(3,975,428)
Total Liabilities & Shareholders' Equity	$ 6,204,493	$ 5,307,425

* At lower of cost (FIFO) or market.

# Less accumulated depreciation and amortization.

+ $0.20 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.50	7.93
%Net Income to Sales	9.27	4.29
%Net Income to Equity	19.75	9.76
Sales to Inventories	4.49	3.52
Working Capital	$ 2,152,175	$ 1,625,878
Current Ratio	2.06	1.77
Shareholders' Equity	$ 4,080,225	$ 3,050,865

Coherent, Inc.

3210 Porter Drive
Palo Alto, California 94304
(415) 493-2111

Officers: James L. Hobart, chairman of the board, president & chief exec. officer; James J. Donovan, v.p.-finance; Lawrence W. Sonsini, secretary; Dorothy E. Farrand, asst. secretary; Henry E. Gauthier, v.p. & gen. mgr.-Laser Div.; Christopher F. Monahan, v.p. & gen. Mgr.-Medical Div.

Directors: James L. Hobart, Franklin P. Johnson,Jr., Robert N. Noyce, Pierre R. Lamond, Ted H. McCourtney, Jr.

Areas of Work: Design, manufacture and sale of commercial lasers, optics, accessories and laser-based products for medical, construction, scientific and industrial markets.

Divisions:

Medical Division
3270 W. Bayshore Road
Palo Alto, California 94303
(415) 858-2250

Develops, manufactures and markets laser instruments for both the diagnosis andtreatment of illness.

Components Division

Develops and manufactures standard products which combine state-of-the-art electronics with technologies in lasers and optics for OEM and industrial applications. Products include scanners for reading Universal Product Code (UPC) labels insupermarket electronic point-of-sale systems, and bar code readers.

International Division

Operates sales and service subsidiaries in Germany, the United Kingdom, Franceand Japan; has sales offices and representatives in other parts of the world.

Tropel Division
1000 Fairport Park
Fairport, New York 14450
(716) 377-3200

Prototype and special purpose lenses to the optical instrument field and to a variety of lens users; optical accessoriesused with lasers and associated technologies.

Modulator Division
14 Finance Park
Danbury, Connecticut 06810
(203) 792-2850

Designs and manufactures advanced laser modulation systems, including both electro-optic and acousto-optic modulators, photodiode assemblies, photodiode amplifiers, and various accessories.

Subsidiaries:

Laser Inc.
Laser Lane
P.O. Box 537
Sturbridge, Massachusetts 01566
(617) 347-7314

Designs, manufactures and distributes laser products and related devices for cutting, welding and drilling applications.

Coherent (UK) Ltd.
Cambridge Science Park
Milton Road
Cambridge CB4 4BH, England

Coherent GmbH
Hermannstrasse 54-56
D-6078 Neu-Isenburg, West Germany

Coherent SARL
55 Rue Boussingault
F70513 Paris, France

Coherent S.r.l.
Residenza Mestieri
Milano 2
I-20090 Segrate, Italy

Coherent BV
Meenthof 15
NL-1241 CP Kortenhoef
The Netherlands

Coherent Japan
#2. 30-11 Hatsudai
2-Chome
Shibuya-Ku
Tokyo Japan

Electro-Medical Technology, Inc.
1623 Beltline Road
Redding, California 96003
(916) 241-3868

Manufactures automaic visual field screening instruments and electronic applanation tonometers for the ophthalmic profession.

Transfer Agent(s):

Crocker National Bank
79 New Montgomery Street
San Francisco, California 94105

Stock Exchange(s): Over-the-Counter

Ticker Symbol: COHR (NASDAQ)

Number of Employees:

1980	1,022	1977	528
1979	938	1976	425
1978	671		

Plant Footage:

1980	154,000 sq. ft.	1977	129,000
1979	145,000	1976	130,000
1978	145,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 61,268,000	$ 1,357,000
1979	52,002,000	2,997,000
1978	32,774,000	1,818,000
1977*	24,738,000	923,000
1976	18,271,000	109,000

	No. of Com. Shares	Earn. per Share#
1980	2,051,141	$0.65
1979	1,947,898	1.49
1978	1,828,026	1.01
1977	1,730,190	0.53
1976	1,718,356	0.06

* 53 weeks.

# Based on weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1980	1979
Electro-Optical Prods.	$ 36,660,000	$ 29,114,000
Medical Prods.	24,608,000	22,888,000
Total	$ 61,268,000	$ 52,002,000

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 17,234,000	$8.40
1979	14,739,382	7.57
1978	10,437,650	5.71
1977	7,618,895	4.40
1976	6,628,627	3.86

Income Account *

Year ended	9/27/80	9/29/79
Net sales	$ 61,268,000	$ 52,002,000
Cost of sales	33,848,000	27,636,000
Expenses	23,921,000	18,108,000
Other expenses	838,000	358,000
Income before taxes	$ 2,661,000	$ 5,900,000
Income taxes	1,304,000	2,903,000

Net Income	$ 1,357,000	$ 2,997,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,387,000 in 1980 and $889,000 in 1979.

Assets

As of	9/27/80	9/29/79
Cash	$ 916,000	$ 1,183,000
Accts. receiv. net	14,528,000	12,118,000
*Inventories	12,622,000	9,579,000
Prepaid expenses	748,000	554,000
Deferred taxes	1,089,000	647,000
Current Assets	$ 29,903,000	$ 24,081,000
#Fixed assets	10,835,000	5,296,000
Other assets	333,000	130,000
Total Assets	$ 41,071,000	$ 29,507,000

Liabilities

Notes payable	$ 8,279,000	$ 1,325,000
Accounts payable	3,051,000	4,619,000
Accruals	1,976,000	2,110,000
Accrued payroll	2,543,000	1,746,000
Reserve for warranty	1,426,000	1,232,000
Accrued Income taxes	—	1,431,000
Current Liabilities	$ 17,275,000	$ 12,463,000
Notes payable to bank	3,457,000	—
Oblig. under cap. lease	915,000	960,000
Deferred inc. taxes	2,190,000	1,344,000
+ Common stock	1,026,000	974,000
Add. paid-in capital	5,837,000	4,846,000
Retained earnings	10,371,000	8,920,000
Total Liabilities & Shareholders' Equity	$ 41,071,000	$ 29,507,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.34	11.35
%Net Income to Sales	2.21	5.76
%Net Income to Equity	7.87	20.34
Sales to Inventories	4.85	5.43
Working Capital	$ 12,628,000	$ 11,618,275
Current Ratio	1.73	1.93
Shareholders' Equity	$ 17,234,000	$ 14,739,382

Cohu, Inc.

5725 Kearny Villa Road
San Diego, California 92123
(714) 277-6700
Mailing address:
Box 623
San Diego, California 92112

Officers: William S. Ivans, president and chief executive officer; A. Mack Rodgers, vice president & secretary; Charles A. Schwan, treasurer.

Directors: William S. Ivans, Robert W. Kerns, Kenneth E. Olson, J.M. Keeney, F.W Davis, W.N. Jenkins, G.E. Leary, R.C. Sebold.

Divisions:

Electronics Division
5725 Kearny Villa Road
San Diego, California 92123
(714) 277-6700

Major products include broadcast and closed-circuit TV systems, color film cameras, environmental, underwater and radiation-tolerant cameras, high resolution cameras, audio and video switching systems and voltage standards.

Subsidiaries:

Meteorology Research, Inc.
464 West Woodbury Road
Altadena, California 91001
(213) 791-1901

Engaged in research and experimental programs and instrumentation for the environmental sciences, with emphasis upon cloud physics, weather modification, turbulence and diffusion, and air pollution. Products include: air pollution/visibility indicators; air borne instrumentation; mechanical weather stations; scientific balloons; recording rain gauges; turbulence and diffusion instruments; wind sensors, humidity sensors.

Delta Design, Inc.
5715 Kearny Villa Road
San Diego, California 92123
(714) 292-5000

Supplies specialized electro-mechanical test equipment such as transistors andintegrated circuits to the semiconductor industry.

FRL, Incorporated
1005 I Street
Los Banos, California 93635
(209) 826-3292

Supplier of metal detection equipment to the public utility industry, and to prospectors and hobbyists.

Transfer Agent(s):

Security Pacific National Bank
Los Angeles, California

Bradford Trust Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: COH

Number of Employees:

1980	439	1977	406
1979	457	1976	423
1978	452		

Plant Footage:

1980	117,000 sq. ft.	1978	117,000
1979	117,000	1977	122,000

Sales and Earnings

	Net Sales ‡	Net Income
1980	$ 24,504,922	$ 1,349,096
1979	22,795,641	1,176,733
1978	18,952,989	520,081
1977	17,338,220	650,534
1976	15,541,959	306,034

	No. of Com. Shares †	Earn. per Share †
1980	1,686,535	$0.80
1979	1,685,660	0.70
1978	1,720,228	0.30
1977	1,755,500	0.37
1976	1,779,250	0.17

‡ Includes other income.
† Based on average number of shares outstanding adjusted to reflect stock dividend.

Revenues By Line of Business

	1980	1979
Television cameras & equipment	$ 8,263,007	$ 7,509,960
Electronic test & detection apparatus	10,603,532	9,477,597
Meteorological products & services	5,638,383	5,808,084
Total	$ 24,504,922	$ 22,795,641

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.16	—	—
1979	0.16	—	—
1978	0.16	—	—
1977	0.04	—	—
1976	—	5% +	—

+ Declared January 10, 1977.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 9,307,685	$5.52
1979	8,209,184	4.87
1978	7,302,075	4.33
1977	7,254,957	4.19
1976	6,812,631	3.83

+ Adjusted to reflect stock dividend.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 24,504,922	$ 22,795,641
Cost of sales	16,413,076	15,759,996
Expenses	5,736,424	4,923,549
Interest expense	336,326	207,799
Gain on sale	(260,000)	(172,436)
Income before taxes	$ 2,279,096	$ 2,076,733
Income taxes	930,000	900,000
Net Income	$ 1,349,096	$ 1,176,733

* Included in Costs and Expenses, Depreciation and Amortization: $382,760 in 1980 and $325,320 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 404,903	$ 164,379
Accts. receiv., net	4,425,222	4,868,337
Unreim. costs & fees	675,909	686,238
*Inventories	5,847,152	5,743,413
Prepaid expenses	191,221	176,897
Current Assets	$ 11,544,407	$ 11,641,264
#Fixed assets	3,174,564	1,593,586
Other assets	115,104	363,400
Total Assets	$ 14,834,075	$ 13,598,250

Liabilities

Notes payable	$ 2,000,000	$ 1,600,000
Accts. payable	1,357,408	1,598,411
Accruals	304,570	321,363
Accrued payroll	503,081	472,928
Income taxes	242,730	848,106
Other taxes	126,637	108,381
Commissions payable	106,651	179,877
Curr. Liabilities	$ 4,641,077	$ 5,129,066
Long-term note pay.	885,313	—
Deferred income	—	260,000
+ Common stock	1,919,283	1,914,033
Add. paid-in capital	3,722,572	3,708,502
Retained earnings	4,688,054	3,608,873
Treasury stock	(1,022,224)	(1,022,224)
Total Liabilities & Shareholders' Equity	$ 14,834,075	$ 13,598,250

* At lower of average cost and market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.30	9.11
%Net Income to Sales	5.51	5.16
%Net Income to Equity	14.49	14.33
Sales to Inventories	4.19	3.97
Working Capital	$ 6,903,330	$ 6,512,198
Current Ratio	2.49	2.27
Shareholders' Equity	$ 9,307,685	$ 8,209,184

Coleman Systems

1101 South Linwood Avenue
Santa Ana, California 92705
(714) 972-1477

Officers: Frank E. Vachon, chairman of the board & treasurer; S. Wayne Giroux, president; L. Thomas McNicholas, v.p.; Richard M. Wright, secretary.

Directors: Frank E. Vachon, L. Thomas McNicholas, Abner T. Knoepfel, Richard M. Wright, S. Wayne Giroux.

Areas of Work: Manufactures automatic electric studio cameras, oscilloscope cameras, surveillance cameras and related peripheral equipment and components, N/C readout equipment, and abrasive wheels and discs.

Divisions:

Coleman Division
1101 South Linwood Avenue
Santa Ana, California 92705
(714) 972-1477

Manufactures a line of machine tool products, and N/C readout equipment and surveillance cameras.

Kasco Division
580 Race Street
Coldwater, Michigan 49036
(517) 278-2354
1101 South Linwood Avenue
Santa Ana, California 92705
(714) 972-1477

Manufactures resinoid abrasive wheels and discs, for industry.

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CLSY (NASDAQ)

Number of Employees:

1980	75	1977	113
1979	96	1976	116
1978	114		

Plant Footage:

1980	48,600 sq. ft.	1977	75,000
1979	75,000	1976	75,000
1978	75,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 3,105,006	$ (113,688)
1979	3,834,714	36,266
1978	3,796,139	(62,934)
1977	3,778,229	41,477
1976	3,650,755	(355,076)

	No. of Com. Shares	Earn. per Share ‡ #
1980	771,569	$ —
1979	771,569	0.03
1978	771,569	—
1977	771,569	0.04
1976	771,569	—

(Loss)
‡ Including extraordinary gain of $168,214 in 1980, $7,000 ($0.01 per share) in 1979 and $11,395 ($0.01 per share) in 1977.
# Based on weighted average number of shares outstanding.

Revenues By Line of Business

	1980	1979
Photographic equip.	$ 528,002	$ 1,140,310
Readout displays	521,124	702,293
Abrasive products	2,055,880	1,992,111
Total	$ 3,105,006	$ 3,834,714

Common Stock Equity

	Total Equity †	Equity Per Share
1980	$ 232,354	$0.30
1979	353,347	0.46
1978	324,686	0.42
1977	391,567	0.51
1976	357,461	0.46

† After allowing for preferred stock at a redemption value of $13.25 per share.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 3,105,006	$ 3,834,714
Cost of sales	2,543,995	2,936,647
Expenses	796,322	819,243
Interest expense	134,152	117,533
Loss from fire	—	8,312
Recov. from fire loss	(1,792)	—
Gain on sale	(61,162)	—
Interest income	(21,907)	—
Other income	(2,900)	—
Loss before taxes	$ (281,702)	$ (47,021)
Income taxes	200	5,300
Loss from cont. oper.	$ (281,902)	$ (52,321)
Income from discont. oper.	—	81,587
Net Income (loss)	$ (281,902)	$ 29,266
Extraord. gain	168,214	7,000
Net Income (loss) & extraord. gain	$ (113,688)	$ 36,266

*Included in Costs and Expenses, Depreciation and Amortization: $26,515 in 1980 and $37,136 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 5,671	$ 19,236
Accts. receiv., net	500,654	693,233
*Inventories	785,947	991,528
Prepaid expenses	1,529	28,980
Current Assets	$ 1,293,801	$ 1,732,977
# Fixed assets	192,150	154,048
Other assets	28,492	36,596
Total Assets	$ 1,514,443	$ 1,923,621

Liabilities

	1980	1979
Notes & contracts payable	$ 541,167	$ 727,901
Long-term debt, curr.	7,155	22,610
Accts. payable	478,145	554,316
Accruals	73,779	62,815
Other payables	3,577	—
Curr. Liabilities	$ 1,103,823	$ 1,367,642
Long-term debt	—	17,742
+ Preferred stock	168,175	174,425
+ + Common stock	771,569	771,569
Add. paid-in capital	1,822,883	1,829,777
Retained earnings (deficit)	(2,352,007)	(2,237,534)
Total Liabilities & Shareholders' Equity	$ 1,514,443	$ 1,923,621

*At lower of average cost or market.
# Less accumulated depreciation.
+ $12.50 par value; 6% cumulative.
+ + $1 par value.

Statistical Summary

	1980	1979
%Net Income to Equity	—	5.44
Sales to Inventories	3.95	3.87
Working Capital	$ 189,978	$ 365,335
Current Ratio	1.17	1.27
Shareholders' Equity	$ 410,620	$ 538,237

Colt Industries Inc.

430 Park Avenue
New York, New York 10022
(212) 940-0400

Officers: George A. Strichman, chairman of the board and chief executive officer; David I.Margolis, president; William D. Ford, sr. vice president, secretary and general counsel; Andrew C. Hilton, sr. v.p.-adm.; Salvator J. Cozzolino, sr. v.p.-finance & treasurer; Ben Cook, Eugene A. March, Guy C. Shafer, Philip Wallach, group vice presidents; P. Daniel Gold, v.p.-govt. relations; Richard B. Steinmetz, v.p. & deputy general counsel; Phil Berkowitz, v.p.-personnel; Joseph P. Lisa, v.p. & controller; James G. McHugh, v.p. labor relations; Julius Levinson, v.p.-taxes; John F. Campbell, v.p.-public relations; Martin N. Ornitz, Robert M. Burns, Gerald J. Lynch, v.p.'s.

Directors: George A. Strichman, William D. Ford, George Lessner, David I. Margolis, A.J. McMullen, William S. Schwab, William H. Rea, Max E. Wildman, Gerald J. Lynch, Robert A. Alberty, Louis T. Seith.

Divisions:

Industrial and Power Equipment

Fairbanks Morse Engine Division
701 Lawton Avenue
Beloit, Wisconsin 53511
(608) 364-4411

Diesel engine generator systems for standby, peaking, and continuous service/Diesel engines for industrial drives/Marine diesel propulsion systems and generator systems.

Central Moloney Transformer Division
2400 West Sixth Avenue
Pine Bluff, Arkansas 71601
(501) 534-5332

Pole, pad-mounted, underground, and station-type distribution transformers/Transformer components.

Pratt & Whitney Machine Tool Division
Charter Oak Boulevard
West Hartford, Connecticut 06101
(203) 236-6221

Numerically controlled machining centers/NC lathes/Jig borers/NC and tracer milling machines/Electronic measuring systems/Sterling thread-rolling dies/Haber coldheading tools/Fastcut cutting tools.

Elox Division
P.O. Box 2227
Davidson, North Carolina 28036
(704) 892-8011

Electrical discharge machining equipment including conventional vertical, traveling wire, and grinding machines.

Fairbanks Weighing Division
711 East St. Johnsbury Road
St. Johnsbury, Vermont 05819
(802) 748-5111

Bench and portable floor scales/Warehouse, hopper, and conveyor scales/Portable and stationary truck scales/Static and in-motion railroad scales/Mechanical and electronic indicators.

Quincy Compressor Division
217 Maine Street
Quincy, Illinois 62301
(217) 222-7700

Unit, tank, and skid-mounted reciprocating compressors/Stationary and portablehelical screw compressors.

Trent Tube Division
2188 Church Street
East Troy, Wisconsin 53120
(414) 642-7321

Welded stainless steel, titanium, and other high-alloy tubing to 150-foot lengths for electric utility condensers and feed-water heaters/Nuclear, liquified natural gas, and special alloy tubing/Stainless and high-alloy pipe and tubing forprocessing, aerospace, pulp and paper, cryogenic,and instrumentation applications.

Crucible Magnetics Division
RFD 2
Elizabethtown, Kentucky 42701
(502) 769-1333

Cast alnico, Ferrimag ceramic, and Crucore rare earth-cobalt permanent magnets.

Crucible Spring Division
1 McCandless Avenue
Pittsbugh, Pennsylvania 15201
(412) 782-7300

Hot-wound heavy-duty coil springs for railroad car and other industrial applications.

Colt Firearms Division
150 Huyshope Avenue
Hartford, Connecticut 06102
(203) 278-8550

Hunting rifles/Sporting, target, custom, and commemorative arms and accessories/Police, security, and military handguns/M16 military rifles/Grenade launchers.

Fluid Control Systems

Holley Carburetor Division
11955 East Nine Mile Road
Warren, Michigan 48090
(313) 497-4000
Design, manufacture, and sale of OEM car and truck carburetors/Development of non-carburetor automotive field management systems.

Holley Replacement Parts Division
11955 East Nine Mile Road
Warren, Michigan 48090
(313) 497-4000
Engineering, distributuion, and sale of Holley products for the automotive aftermarket.

Holley Special Products Division
11955 East Nine Mile Road
Warren, Michigan 48090
(313) 497-4000
Emissions control air injection pumps, controls, and other non-fuel system products.

Chandler Evans Control Systems Division
Charter Oak Boulevard
West Hartford, Connecticut 06101
(203) 236-0651
Fuel pumps, fuel controls, and other gas turbine engine accessories and components/Aircraft and airframe valves/Missile flight control systems, valves and actuators.

Fairbanks Morse Pump Division
3601 Fairbanks Avenue
Kansas City, Kansas 66110
(913) 371-5000
Centrifugal, turbine, and axialflow pumps for pollution control, fire protection water supply, irrigation, drainage, and applications.

Materials

Crucible Stainless and Alloy Division
P.O. Box 226
Midland, Pennsylvania 15059
(412) 643-1100
Alloy and special quality carbon steel ingots, blooms, billets, and ars/Vacuum arc remelted alloys/Stainless forging blooms, billets, and reforging bars/Discsand colters for agriculture/Other flat-rolled special products. Stainless steel sheet, strip, and plate products.

Crucible Specialty Metals Division
P.O.Box 977
Syracuse, New York 13201
(315) 487-4111
Crucible particle metallurgy and conventional high-speed steel/Tool and die steels/Stainless free-machining bars and rods/High-temperature aerospace, nuclear,and chemical processing alloys/Valve steels/Commercially pure and alloyed titanium bars, rods, and wire.

Industrial Seals and Components

Garlock Mechanical Packing Division
1666 Division Street
Palmyra, New York 14522
(315) 597-4811
Molded and extruded rubber and urethane products/Seals/Gasketing/Expansion joints/Flexible couplings and flue duct connectos/Braided and other compression packings/Mechanical seals for pumps.

France Compressor Products Division
P.O. Box A
Newtown, Pennsylvaia 18940
(215) 968-5959
Compressor and industrial engine components.

Stemco Truck Products Division
P.O. Box 1989
Longview, Texas 75601
(214) 758-9981
Wheel lubrication systems/Exhaust systems and leaf springs for heavy-duty trucks.

Garlock Oil Seal Division
P.O. Box 1767
Gastonia, North Carolina 28052
(704) 864-8352
Oil seals for automotive and other mechanical equipment/Spiral-wound gaskets/Automotive transmission kits.

Garlock Special Products Division
Suie 1250, Midtown Tower
Rochester, New York 14604
(716) 232-1400
Plastic-based bearings and bearing materials/TFE-coated butterfly valves and components/Ortman hydraulic and pneumatic cylinders.

F.D. Farnam Division
P.O. Box 327
Necedah, Wisconsin 64646
(608) 565-2241
Gaskets, gasket assemblies for automotive and industrial applications.

Shock Mitigation Systems

Menasco California Division
P.O. Box 7071
First and Cedar Streets
Burbank, California 91510
(213) 842-9111
Landing gear for military and commercial aircraft/Shock mitigation systems formissiles and other applications.

Menasco Texas Division
P.O. Box 7656
Forth Worth, Texas 76111
(817) 283-4471
Military and commercial aircraft landing gear/Hydraulic systems and weapons loading systems for submarines and destroyers/Helicopter components.

Menasco Overhaul Division
P.O. Box 7071
26 East Providencia Avenue
Burbank California 91510
(213) 843-0611
Overhaul and repair of landing gear and related components and reconditioned spare parts for U.S. and foreign airlines and military services.

International Operations

Colt Canada Inc.
Case Postale 520
Sorel, Quebec, Canada J3P 5P2
(514) 743-7931
Crucible tool and die steels and custom forgings/Fairbanks Morse diesel enginesales and service.

Facilities: Crucible Steel Division, Sorel, Quebec; Fairbanks Morse Engine Division, Halifax, Nova Scotia, Vancouver, B.C., and Dorval, Quebec.

Menasco Canada Ltée
3495 Cote Vertu
Montreal, Quebec, Canada H4R 1R3
(514) 332-3330
Landing gear and flight controls for military and commercial aircraft/Helicopter rotor components/Flight control overhaul service.

Garlock of Canada Ltd.
66 Jutland Road
Toronto, Ontario, Canada M8Z 2H3
(416) 255-9114
Molded and extruded rubber products/Braided packings/Compressor and industrial engine components/Wheel lubrication and truck exhaust systems for heavy duty trucks.

Facilities: Garlock Mechanical Packing Division, Toronto, Ontario: France Compressor Products Division, Brantford, Ontario; Stemco Truck Products Division, Mississauga, Ontario.

Woodville Polymer Engineering Ltd.
Alton Lane, Ross-on-Wye
HR9 5NF Herefordshire, England
High-technology specialty molded rubber products.

Facilities: Ross-on-Wye Division, Ross-on-Wye, Herefordshire: Swadlincote Division, Burton-on-Trent, Staffordshire.

Crusteel Limited
Ruthland Way
Sheffield S3 8DG
Yorkshire, England
Specialty steel and tubing distributors.

Garlock AG
Thurgauerstrasse 39
CH-8050 Zurich, Switzerland
Manufacture and distribution of Stemco truck products.

Chromex S.A.
2, rue Tirebarbe
91510 Lardy, France
Oil seals, value seats, TFE piston rings, and other products for the automotive and other industries.

Liard France S.A.
49, Route National
59570 Bavay, France
Compressor and industrial engine components.

Garlock GmbH
Potafach 300 450
Scheffelstrasse 73
4000 Dusseldorf 30
West Germany
Manufacture and distribution of Garlock products. Stemco truck products, and France compressor products.

Facilities: Garlock Valves & Industrial Plastics, Neuss; France Compressor Products Division, Gross Gerau; Garlock Mechanical Packing Division, Düsseldorf.
Garlock de Mexico, S.A.
Poniente 116, No. 571
Mexico 15, D.F.
Industrial packing and gasketing/Compressor components/TFE specialty products and molded rubber products.

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York

The First National Bank of Chicago
Chicago, Illinois

Bank of America National Trust and Savings Association
San Francisco, California

Stock Exchange(s): New York, Pacific, Midwest, Pacific, London

Ticker Symbol: COT

Number of Employees:

1980	31,300	1977	30,800
1979	32,100	1976	28,400
1978	33,100		

Plant Footage:

1980	17,054,000 sq.ft.	1977	14,800,000
1979	16,900,000	1976	14,800,000
1978	17,100,000		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 2,165,602	$ 97,751
1979	2,140,515	111,375
1978	1,807,882	87,020
1977	1,525,484	69,460
1976	1,345,764	66,845

	No. of Com. Shares #	Earn. per Share #
1980	13,021,000	$7.38
1979	12,992,000	8.40
1978	12,565,000	6.66
1977	12,073,000	5.40
1976	11,912,000	5.24

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1980 (000's)	1979 (000's)
Materials	$ 734,000	$ 808,000
Industrial & power equipment	626,000	600,000
Fluid control systems	391,000	367,000
Industrial seals and components	307,000	303,000
Shock mitigation systems	145,000	106,000
Intergroup sales elimination	(37,000)	(43,000)
Total	$ 2,166,000	$ 2,141,000

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$2.90	—	—
1979	2.50	—	—
1978	2.033	—	3-for-2
1977	1.7083	—	—
1976	1.50	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity ‡	Equity Per Share #
1980	$646,157,000	$49.62
1979	574,922,000	44.95
1978	501,332,000	39.90
1977	405,507,000	33.59
1976	350,387,000	29.41

‡ After allowing for preferred stock at total involuntary liquidation value.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 2,165,602	$ 2,140,515
Cost of sales	1,782,976	1,728,194
Expenses	206,159	194,501
Interest expense	24,345	29,620
Interest income	(16,414)	(14,300)
Income before taxes	$ 168,536	$ 202,500
Income taxes	70,785	91,125
Net Income	$ 97,751	$ 111,375

* Included in Costs and Expenses, Depreciation and Amortization: $57,851,000 in 1980 and $47,876,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash & cert. of deposit	$ 52,570	$ 45,383
Marketable securities	81,681	55,023
Accts. and notes receiv., net	297,005	282,528
* Inventories	452,985	440,664
Deferred inc. taxes	29,430	20,620
Other curr. assets	11,246	9,964
Current Assets	$ 924,917	$ 854,182
# Fixed assets	437,143	390,655
Other assets	56,135	56,782
Fund for capital proj.	19,958	—
Total Assets	$ 1,438,153	$ 1,301,619

Liabilities
(000's)

Notes payable	$ 17,196	$ 15,763
Long-term debt, curr.	13,231	16,179
Accts. payable	172,036	133,521
Accruals	108,050	105,329
Accrued payroll	74,332	64,742
Curr. Liabilities	$ 384,845	$ 335,534
Long-term debt	284,114	264,450
Reserves	25,658	23,740
Minority interest	4,983	4,269
Deferred inc. taxes	60,917	52,034
+ Preferred stock	422	590
+ + Common stock	13,270	13,210
Add. paid-in capital	149,472	160,700
Retained earnings	522,532	463,979
Treasury stock	(8,060)	(16,887)
Total Liabilities & Shareholders' Equity	$ 1,438,153	$ 1,301,619

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $1 par value.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.78	9.46
%Net Income to Sales	4.51	5.20
%Net Income to Equity	14.43	17.92
Sales to Inventories	4.78	4.86
Working Capital	$540,072,000	$518,648,000
Current Ratio	2.40	2.55
Shareholders' Equity	$677,636,000	$621,592,000

Columbia Chase Corporation

128 Office Plaza Building
220 Forbes Road
Braintree, Massachusetts 02184
(617) 848-2810

Officers: Francis M. Chase, chairman of the board & chief executive officer; Edward L. Chase, president & chief operating officer; Dr. Nikit Ordjanian, vice president; L. Sheldon Daly, secretary & treasurer; plant managers: J. Gonzalez, W. Heinz, J. Waryold, F. Shillingford.

Directors: Francis M. Chase, chairman; Edward L. Chase, Dr. Nikit Ordjanian, L. Sheldon Daly, George M. Hansen, Wilbur L. Lafean, Jr., James D. O'Donnell.

Areas of Work: Manufactures energy-related products such as dielectric insulation for electrical power cables, protective tapes and coatings for underground gas and oil lines including a large portion of the Alaskan pipeline and humidity resistant coatings for electronic components and printed circuitry; also produces solar energy systems and an energy saving fossil fuel combustion conditioner unit which employs the use of water. Other operations include custom compounding and mixing of rubber and plastics and the design and manufacture of copper absorber plates, also a coal based alternate fuel.

Divisions and Subsidiaries:

Chase & Sons, Inc.
Randolph, Massachusetts 02368
(617) 963-2600

Cable tapes for use in electrical wires and cables, telephone and communicationcables, shipboard, Navy and missile cables. Protective tape coatings for corrosion prevention on underground oil, gas and petroleum pipelines. Electrical tapes-for utilities and contractors. Flexible electrical insulation for use in motors,transformers and other electrical equipment.

Avon Custom Mixing Services Division
Holbrook, Massachusetts
(617) 767-0511

Custom volume mixing of rubber and other compounds supplying the commercial market and corporate internal use.

HumiSeal Division
26-60 Brooklyn-Queens Expressway West
Woodside, New York 11377
(212) 932-0800

Produces conformal liquid protective coatings for electronics, and printed circuitry.

Royston Laboratories, Inc.
Pittsburgh, Pennsylvania 15238
(412) 828-1500

Produces and sells materials to prevent corrosion on underground pipelines andother metal surfaces and to protect wood and concrete surfaces, also bridge expansion joints.

Intercol Services, Inc.
220 Forbes Road
Braintree, Massachusetts 02184
(617) 848-2814

International licensing and exchange of process and technologies and special international sales.

Solar Energy Division
Holbrook Massachusetts 02343
(617) 767-0513

Designer and manufacturer of solar energy collection units for heating hot water and space systems, and for the generation of low wattage electricity.

Complete Combustion Conditioner Division
Holbrook, Massachusetts
(617) 767-0542

Engineers, manufactures and installs a fossil fuel conditioner which creates afuel emulsion using water or steam under a company-owned patented process.

Columbia Fluidized Coal Energy, Inc.
Pittsburgh, Pennsylvania
(412) 672-9214

Producer of COW, a coal based alternate fuel.

International Division

Columbia Chase Corporation
Brussels, Belgium
32(2) 354-1331

Coordination of international marketing and sales.

Solar Voltaic, Inc.
Braintree, Massachusetts
(617) 848-2810

Solar cell research.

Sunplate, Inc.
Holbrook, Massachusetts
(617) 767-0513

Copper absorber plates.

Transfer Agent(s):

The Chase Manhattan Bank
One New York Plaza
New York, New York 10005

Stock Exchange(s): Boston

Ticker Symbol: CTE

Number of Employees:

1980 210

Plant Footage:

1980 . . . . . . 304,000 sq. ft.

Sales and Earnings

	Net Sales +	Net Income
1980	$ 17,108,097	$ 273,175
1979	13,620,831	140,159
1978	11,898,522	32,407
1977	11,567,353	172,658
1976	10,517,872	426,580

	No. of Com. Shares #	Earn. per Share #
1980	2,782,382	$0.10
1979	2,782,382	0.05
1978	2,782,382	0.01
1977	2,782,382	0.06
1976	2,830,382	0.15

+ Of continuing operations only.
# Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock split.

Columbia Chase Corporation

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.06	—	5-for-4
1979	0.06	5%	—
1978	0.06	—	—
1977	0.06	—	—
1976	0.06	5%	—

+ Adjusted to reflect stock dividend and stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 4,480,001	$1.61
1979	4,336,223	1.56
1978	4,323,299	1.55
1977	4,418,127	1.59
1976	4,372,704 ‡	1.57

‡ After allowing for preferred stock at redemption value of $2 per share.
+ Adjusted to reflect stock divident and stock split.

Income Account *

Year ended Aug. 31	1980	1979
Net sales	$ 16,957.447	$ 13,516,945
Other income	150,650	103,886
Total income	$ 17,108,097	$ 13,620,831
Cost of sales	11,637,194	9,239,273
Expenses	4,671,199	4,041,364
Interest expense	242,859	135,611
Minority interest	(70,330)	(20,000)
Income before taxes	$ 627,175	$ 224,583
Income taxes	354,000	68,458
Inc. from cont. oper.	$ 273,175	$ 156,125
Loss from discont. operations	—	(15,966)
Net Income	$ 273,175	$ 140,159

*Included in Costs and Expenses, Depreciation; $260,110 in 1980 and $231,657 in 1979.

Assets

As of Aug. 31	1980	1979
Cash	$ 218,013	$ 280,831
Investments	—	125,000
Receiv., net	2,218,620	2,089,277
*Inventories	2,760,797	2,314,292
Prepaid expenses & other assets	146,776	180,518
Current Assets	$ 5,344,206	$ 4,989,918
# Fixed assets	2,008,088	1,702,244
Other assets	318,691	290,318
Total Assets	$ 7,670,985	$ 6,982,480

Liabilities

	1980	1979
Notes payable	$ 820,856	$ 567,109
Long-term debt, curr.	117,058	328,369
Accts. payable	713,878	772,323
Accruals	861,585	719,995
Income taxes	397,620	147,837
Curr. Liabilities	$ 2,910,997	$ 2,535,633
Long-term debt	279,987	110,624
+ Common stock	222,629	212,058
Add. paid-in capital	1,753,482	1,050,517
Retained earnings	2,503,890	3,073,648
Total Liabilities & Shareholders' Equity	$ 7,670,985	$ 6,982,480

*At cost (FIFO), which is not in excess of market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.70	—
%Net Income to Sales	1.61	—
%Net Income to Equity	6.10	3.23
Sales to Inventories	6.14	5.84
Working Capital	$ 2,433,209	$ 2,454,285
Current Ratio	1.84	1.97
Shareholders' Equity	$ 4,480,001	$ 4,336,223

Commodore International Limited

(formerly Commodore Business Machines (Canada) Limited)

950 Rittenhouse Road
Norristown, Pennsylvania 19403
(215) 666-7950

Sassoon House
Shirley & Victoria
P.O. Box N-10256
Nassau, Bahamas
(805) 325-4109

Officers: Irving Gould, chairman of the board; Jack Tramiel, president; Richard D. Sanford, exec. v.p. & secretary; Christopher T.G. Fish, David Alderson, v.p.'s; Charles I. Peddle, v.p.-Advanced Systems Technology; Gregory A. Platt, v.p.-finance.

Directors: Irving Gould, Jack Tramiel, Leonard I. Schreiber, Burton Winberg, Gerald Shefsky.

Areas of Work: Engaged in the design, manufacture and marketing of computer systems, integrated circuits (CMOS and MOS), consumer electronic products and office equipment. Significant products include micro-mini-computer (Pet) and related peripherals such as floppy disks, tractor and friction printers, and associated sortware. The Company also designs, manufactures and markets electronic calculators and watches. All products are marketed through a worldwide distribution network. In addition, the Company has designed an electronic programmable thermostat which will soon be available to the market.

Subsidiaries:

Commodore Business Machines, Inc.
3330 Scott Blvd.
Santa Clara, California 95050

Commodore Business Machines (U.K.) Limited
360 Euston Road
London NW1 3BL, England

Commodore Buromaschinen GmbH
Frankfurter Strasse 171-175
6078 Neu Isenburg
West Germany

Micro Display Systems, Inc.
Valley Forge Corporate Center
950 Rittenhouse Road
Norristown, Pennsylvania 19403

Commodore Optoelectronics
4350 Beltwood Parkway S.
Dallas, Texas 75234

Commodore Japan Limited
Akasaka Yamakatsu, Bldg. 6F
8-5-32 Akasaka, Minato-ku
Tokyo 107, Japan

Taisei-Denani Building
8-14 Ikue 1-Chome
Asani-ku, Osaka 535, Japan

MOS Technology, Inc.
Valley Forge Corporate Center
950 Rittenhouse Road
Norristown, Pennsylvania 19403

Frontier Manufacturing, Inc.
2955 No. Airway Avenue
Costa Mesa, California 92626

Commodore Business Machines, Limited
3370 Pharmacy Avenue
Agincourt, Ontario, MIW 2K4, Canada

Slough Trading Estate
818 Leigh Road
Slough, Berkshire
England, SL 14BD

Commodore Electronics (Hong Kong) Limited
Watsons Estates
Block C, 11th Floor
Hong Kong, Hong Kong

Commodore Switzerland
Dufourstrasse 9
4010 Basel, Switzerland

Commodore Electronics Limited
Sassoon House, Shirley & Victoria
P.O. Box N-10256
Nassau, Bahamas

Transfer Agent(s):

Canada Permanent Trust Company
Toronto, Ontario, Canada

The Canadian Bank of Commerce Trust Company
New York, New York

Trust Corporation of Bahamas Limited
Nassau, Bahamas

Stock Exchange(s): New York

Plant Footage:

1980 . . . . . . 566,000 sq.ft.

Sales and Earnings

	Net Sales	Net Income +
1980	$ 125,600,000	$ 16,900,000
1979	71,124,000	6,535,000
1978	50,151,000	4,040,000
1977	46,175,000	1,524,000
1976	55,934,000	2,911,000

	No. of Com. Shares ‡	Earn. per Share + ‡
1980	3,465,000	$4.89
1979	3,240,000	2.02
1978	3,157,000	1.27
1977	3,044,000	0.49
1976	2,898,000	1.00

+ Including extraordinary gains of $700,000 ($0.21 per share) in 1980, $515,000 ($0.16 per share) in 1979, $650,000 ($0.19 per share) in 1978 and $1,189,000 ($0.41 per share) in 1976.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

	1980	1979
Systems	$ 82,800	$ 34,400
Consumer prods.	11,100	15,900
Components	18,900	10,000
Office equip.	12,800	10,800
Total	$ 125,600	$ 71,100

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	3-for-2 & 3-for-2

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 35,500,000	$10.25
1979	20,750,000	6.40
1978	12,256,000	3.88
1977	8,175,000	2.69
1976	6,346,000	2.19

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *
(000's)

Year ended June 30	1980	1979
Net sales	$ 125,600	$ 71,124
Cost of sales	75,000	48,036
Expenses	29,100	12,976
Interest expense	3,200	2,092
Income before taxes	$ 18,300	$ 8,020
Income taxes	3,800	2,000
Reversal of U.K. taxes	(1,700)	—
Net Income	$ 16,200	$ 6,020
Extraord. gain	700	515
Net Income & extraord. gain	$ 16,900	$ 6,535

* Included in Costs and Expenses, Depreciation and Amortization: $3,500,000 in 1980 and $2,476,000 in 1979.

Assets
(000's)

As of June 30	1980	1979
Cash	$ 5,100	$ 2,552
Accts. receiv., net	25,300	15,317
* Inventories	36,100	22,985
Prepaid expenses	600	512
Current Assets	$ 67,100	$ 41,366
# Fixed assets	21,400	14,307
Other assets	400	1,828
Total Assets	$ 88,900	$ 57,501

Liabilities
(000's)

Long-term debt, curr.	$ 1,000	$ 2,326
Loans from fin. institutions	2,600	11,651
Accts. payable	14,900	10,561
Accruals	6,400	3,377
Income taxes	4,200	1,598
Curr. Liabilities	$ 29,100	$ 29,513
Long-term debt	24,300	5,533
Deferred taxes	—	1,705
+ Common stock	3,300	2,661
Add paid-in capital	1,300	3,661
Retained earnings	30,900	15,596
Total Liabilities & Shareholders' Equity	$ 88,900	$ 57,501

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	14.57	11.25
%Net Income to Sales	12.90	8.44
%Net Income to Equity	45.63	28.92
Sales to Inventories	3.48	3.09
Working Capital	$ 38,000,000	$ 11,853,000
Current Ratio	2.31	1.40
Shareholders' Equity	$ 35,500,000	$ 20,750,000

Communications Industries, Inc.

1100 Frito-Lay Tower
Exchange Park
Dallas, Texas 75235
(214) 357-4001

Officers: Clayton E. Niles, chairman of the board & chief exec. officer; William O. Hunt, president and chief operating officer; Noel Hartshorne, vice president-common carrier services; Michael H. Barnes, v.p.-finance & treasurer; Louis E. Brown, v.p.-corporate research and development; George M. Perrin, vp.-corp. development; Bob K. Alexander, asst. v.p.-corp. development; C. Edward Baker, dir.-human resources; Neil J. O'Brien, secretary; Judith A. Corey, asst. secretary.

Directors: Thomas J. McMullin, Jerry S. Stover*, Louis E. Brown*, C.E. Bradley, C.A. Rundell, Jr., Clayton E. Niles*, Ed B. Breeding, Harvey B. Cash, Noel Hartshorne*, William O. Hunt*.

*Member of Executive Committee.

Areas of Work: Engaged in the design, assembly, manufacture, sale, service and maintenance of industrial radio and electronic communications equipment and systems, and in the performance of services as a radio common carrier and telephone answering service. The principal products manufactured by the Company include two-way radio antennas, duplexers, filters, radio-telephone terminals, electronic signaling, alarm and control equipment. The Company also sells, leases or rents to others certain products manufactured by others including two-way radio systems and equipment. Also performs certain services for users of two-way radio communication including maintenance and service of two-way radio and other industrial communications systems and equipment renting or leasing two-way radio antenna space. Provides radiotelephone, radio paging and radio dispatch services in Tucson, Flagstaff and Phoenix, Arizona; Atlanta, Georgia; Midland Texas; St. Louis, Missouri; Jacksonville, Florida and San Diego, California. Provides telephone answering services.

Subsidiaries:

Secode Electronics
625 South Good-Latimer
Dallas, Texas 75207
(214) 742-7231

Designs and manufactures mobile telephone control heads, central radio controlconsoles, selective signaling equipment and remote data acquisition systems.

General Communications Service, Inc.
10300 North Central Expressway
Building V-Suite 430
Dallas, Texas 75223

Radiotelephone utility providing car telephone and pocket paging services.

Decibel Products, Inc.
3184 Quebec Street
Dallas, Texas 75247
(214) 631-0310

Manufactures two-way radio antennas, duplexers, filters, transmitter/receiver combiners and other peripheral equipment needed for efficient radio communications.

Certified Communications, Inc.
St. Louis, Missouri

A radio common carrier.

Mobilfone, Inc.
St. Petersburg, Florida

A radio common carrier.

Acquisition(s):

Dupont Energy Management Co.

Manufactures and sells energy monitoring and control equipment.

Ventec, Incorporated

Provides radio common carrier and telephone answering services.

American Communications Systems, Inc.
Atlanta, Georgia

A radio common carrier.

Transfer Agent(s):

First National Bank in Dallas
1401 Elm Street
Dallas, Texas 75202

Stock Exchange(s): Over-the-Counter

Ticker Symbol: COMM (NASDAQ)

Number of Employees:

1980	1,030	1977	782
1979	925	1976	769
1978	888		

Plant Footage:

1980	241,000 sq. ft.	1977	202,000
1979	206,000	1976	152,000
1978	206,000		

Sales and Earnings ‡

	Net Sales	Net Income
1980	$ 45,802,000	$ 4,990,000
1979	38,775,000	3,461,000
1978	34,565,000	2,883,000
1977	29,475,000	2,561,000
1976	24,409,000	2,070,000

	No. of Com. Shares #	Earn. per Share #
1980	4,548,000	$1.10
1979	4,410,000	0.78
1978	4,305,000	0.67
1977	4,204,000	0.61
1976	3,877,000	0.53

‡ Restated to include operations of companies acquired or a pooling of interests basis.
# Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1980	1979
Manufactured products	$ 21,782,000	$ 18,693,000
Radio common carrier	18,294,000	15,171,000
Maintenance & distribution	5,726,000	4,911,000
Total	$ 45,802,000	$ 38,775,000

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$0.27	—	3-for-2 & 3-for-2
1979	0.21	—	—
1978	0.17	—	3-for-2
1977	0.14	—	—
1976	0.12	—	—

‡ Adjusted to reflect stock splits.

Common Stock Equity †

	Total Equity	Equity Per Share ‡
1980	$ 25,379,000	$5.51
1979	20,688,000	4.58
1978	17,715,000	4.10
1977	15,116,000	3.59
1976	11,877,000	7.03

† Restated to include operations of companies acquired on a pooling of interests basis.
‡ Adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1980	1979 ‡
Net sales	$ 45,802,000	$ 38,775,000
Cost of sales	27,250,000	23,995,000
Expenses	9,465,000	8,008,000
Other income	(907,000)	(439,000)
Other expense	880,000	707,000
Income before taxes	$ 9,114,000	$ 6,504,000
Income taxes	4,124,000	3,043,000
Net Income	$ 4,990,000	$ 3,461,000

*Included in Costs and Expenses, Depreciation and Amortization: $3,321,000 in 1980 and $2,951,000 in 1979.
‡ Restated to include operations of companies acquired on a pooling of interets basis.

Assets

As of Dec. 31	1980	1979 ‡
Cash & cash equiv.	$ 3,787,000	$ 2,763,000
Marketable securities	1,074,000	555,000
Accts. & contracts receiv. net	6,095,000	4,582,000
*Inventories	6,939,000	6,081,000
Prepaid expenses	108,000	118,000
Current Assets	$ 18,003,000	$ 14,099,000
# Fixed assets	12,459,000	11,338,000
Other assets	410,000	463,000
Intangibles	1,529,000	1,971,000
Total Assets	$ 32,401,000	$ 27,871,000

Liabilities

	1980	1979 ‡
Notes payable	$ 89,000	$ 745,000
Long-term debt, curr.	139,000	153,000
Accts. payable & accruals	3,728,000	3,539,000
Dividends payable	353,000	241,000
Income taxes	1,233,000	977,000
Curr. Liabilities	$ 5,542,000	$ 5,655,000
Long-term debt	755,000	896,000
Deferred inc. taxes	725,000	632,000
+ Common stock	2,301,000	1,003,000
Add. paid-in capital	4,662,000	5,079,000
Retained earnings	18,416,000	14,606,000
Total Liabilities & Shareholders' Equity	$ 32,401,000	$ 27,871,000

‡ Restated to include operations of companies acquired on a pooling of interests basis.
*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	19.90	16.77
%Net Income to Sales	10.89	8.93
%Net Income to Equity	19.66	16.73
Sales to Inventories	6.60	6.38
Working Capital	$ 12,461,000	$ 8,444,000
Current Ratio	3.25	2.49
Shareholders' Equity	$ 25,379,000	$ 20,688,000

Communications Satellite Corporation

950 L'Enfant Plaza S.W.
Washington, D.C. 20024
(202) 554-6000

Officers: John D. Harper, chairman of the board; Joseph V. Charyk, president and chief executive officer; John L. McLucas, president COMSAT World Systems Div.; William H. Berman, sr. v.p. and general counsel; Irving Goldstein, sr. v.p.-international communications services; John V. Harrington, sr. v.p.-research & development; Carl J. Reber, sr. v.p.-finance; Delbert D. Smith, sr. v.p.-corporate affairs; Donald E. Greer, v.p.-general services; Sidney Metzger, v.p. and chief scientist; David S. Nye, v.p.-personnel; Joseph H. O'Connor, Robert B. Schwartz, v.p.'s; Stanley L. Shubilla, treasurer; George L. Skinner, comptroller; Jerome W. Breslow, secretary; Nancy E. Weber, asst. secretary.

Directors: John D. Harper, chairman of the board; John A. Johnson, chairman; Joseph V. Charyk, William W. Hagerty, Melvin R. Laird, Howard J. Morgens, Ellmore C. Patterson, Charles J. Pilliod, Jr., Bruce G. Sundlun, William L. Zimmer, III, Jesse Hill, Jr., Joan F. Tobin, Lewis W. Foy, Frederick B. Dent.

Areas of Work: The Company was incorporated in District of Columbia Feb. 1, 1963, as authorized by the Communications Satellite Act of 1962. Pursuant to the act, the Corporation has established, in cooperation with telecommunications entities and foreign governments, a global system of communications satellites. This global communications system includes 133 earth stations in 82 countries. The Company provides service to communications common carriers in the United States through sales to carriers, authorized by the Federal Communications Commission. The Company has also developed the Marisat satellite system which provides marine communications, and shipboard terminals.

Subsidiaries:

COMSAT General Corporation
950 L'Enfant Plaza S.W.
Washington, D.C. 20024
(202) 544-6010

Engaged in maritime and domestic U.S. satellite communications programs, and provides worldwide technical service.

COMSAT General Integrated Systems, Inc.
1070 East Meadow Circle
Palo Alto, California 94303
(415) 493-8110

Develops integrated design, manufacturing and test systems for microwave and digital products.

Satellite Television Corporation
1301 Pennsylvania Avenue N.W.
Washington, D.C.
(202) 626-3600

Has filed an application with the FCC proposing to operate satellite subscription television service.

COMSAT General TeleSystems, Inc.
2721 Prosperity Avenue
Fairfax, Virginia 22031
(703) 698-4300

Produces specialized telecommunications products, markets, installs, and repairs Marisat terminals.

Environmental Research & Technology, Inc.
696 Virginia Road
Concord, Massachusetts 01742
(617) 369-8910

Furnishes business and governmental clients with environmental consulting, planning, monitoring, and computer-based informaton services.

Acquisition(s):

Compact Engineering
Palo Alto, California

Supplies computer-aided design software that analyzes and optimizes microwave circuit designs.

Comprehensive Computing Systems and Services
Austin, Texas

Develops and markets computer software for the stimulation and testing of complex digital electronic circuits.

Transfer Agent(s):

Continental Illinois National Bank and Trust Company of Chicago
30 North LaSalle Street
Chicago, Illinois 60601

Wells Fargo Bank, N.A.
420 Montgomery Street
San Francisco, California 94104

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: CQ

Sales and Earnings

	Oper. Revenues	Net Income
1980	$299,726,000	$ 38,290,000
1979	262,635,000	40,185,000
1978	211,114,000	34,238,000
1977	188,130,000	32,499,000
1976	168,035,000	38,271,000

	No. of Com. Shares #	Earn. per Share #
1980	8,000,014	$4.79
1979	8,000,014	5.02
1978	8,000,014	4.28
1977	9,928,781	3.27
1976	10,000,014	3.83

# Based on weighted average number of shares outstanding.

Revenues By Line of Business

Satellite Systems Serv.:		
Jurisdictional	$161,900,000	$141,900,000
Non Jurisdictional:		
COMSTAR	49,000,000	48,100,000
MARISTAT	27,900,000	33,000,000
Technical Services	10,700,000	10,000,000
Information Services	37,000,000	18,500,000
Communications Products	14,000,000	11,100,000
Total	$299,700,000	$262,600,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.30	—	—
1979	2.225	—	—
1978	2.00	—	—
1977	1.10	—	—
1976	1.00	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$415,583,000	$51.95
1979	395,693,000	49.46
1978	373,309,000	46.66
1977	355,071,000	35.76
1976	408,955,000	40.90

Income Account
(000's)

Year ended Dec. 31	1980	1979
Oper. Rev.	$ 299,726	$ 262,635
Expenses	143,574	110,479
Depreciation & amortization	63,833	66,732
Res. & develop.	11,709	9,947
Income taxes	36,664	33,675
Other expense	5,656	1,617
Net Income	$ 38,290	$ 40,185

Assets
(000's)

As of Dec. 31	1980	1979
Cash & temp. investments	$ 43,484	$ 66,667
Accts. receiv., net	58,951	36,553
Other assets	13,131	7,257
Current Assets	$ 115,566	$ 110,477
Investments	79,818	48,468
# Fixed assets	368,118	372,036
Other assets	17,555	19,108
Total Assets	$ 581,057	$ 550,089

Liabilities
(000's)

	1980	1979
Accts. payable & accruals	$ 27,402	$ 25,835
Income taxes	13,068	27,389
Curr. Liabilities	$ 40,470	$ 53,224
Long-term debt	5,533	5,484
Deferred inc.	13,511	1,829
Deferred inc. taxes & invest. credit	105,960	93,859
+ Common stock	195,213	195,213
Retained earnings	295,753	275,863
Treasury stock	(75,383)	(75,383)
Total Liabilities & Shareholders' Equity	$ 581,057	$ 550,089

# Less accumulated depreciation.
+ No par value.

Statistical Summary

	1980	1979
%Net Income to Revenues	12.78	15.30
%Net Income to Equity	9.21	10.16
Working Capital	$ 75,096,000	$ 57,253,000
Current Ratio	2.86	2.08
Shareholders' Equity	$415,583,000	$395,693,000

Components Corporation of America

1460 Diamond Shamrock Tower
717 North Harwood Street
Dallas, Texas 75201

Officers: Cary M. Maguire, chairman of the board; Frank E. Castle, president & chief executive officer; Walter L. Landergan, Jr., secretary.

Directors: Cary M. Maguire, chairman; Eugene Daniel Powers, Dean P. Guerin, Lee D. Vendig, Robert Kahn, F.E. Castle.

Areas of Work: Through the activities of its wholly owned subsidiaries, it is engaged in various phases of the development, production and marketing of instrument transformers, inductors, television deflection yokes, coils and related electronic components. Also produces asphalt additives and emulsifiers, and mercury switches and a variety of coils used in coin operated vending machines.

Subsidiaries:

Thordarson Meissner Inc
Mt. Carmel, Illinois 62863

Nostrip Chemical Works Inc.
P.O. Box 160
Pedricktown, New Jersey 08067

Nostrip Chemical Works, Inc.
Rocky Mountain Arsenal
Denver, Colorado 80240

Domestic International Sales Corporation (DISC)
Mt. Carmel, Illinois 62863

Staco, Inc.
Engaged in the manufacture of electromechanical switches, electrical transformers, and other power related products.

Transfer Agent(s):

American Transfer Company
44 Beaver Street
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	850	1977	800
1979	850	1976	200
1978	850		

Plant Footage:

1980	308,000 sq. ft.	1977	308,000
1979	308,000	1976	137,000
1978	308,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 23,023,269	$ 70,540
1979	21,911,410	(686,526)
1978	20,328,850	226,959
1977	13,133,162	103,855
1976	8,378,620	806,478

	No. of Com. Shares	Earn. per Share ‡
1980	766,937	$0.09
1979	766,937	—
1978	766,937	0.29
1977	772,577	0.13
1976	784,686	1.03

(Loss)
‡ Based on weighted average number of common share and common share equivalents outstanding.

Revenues By Line of Business

	1980 (000's)	%	1979 (000's)	%
Electronic & electrical components	$ 20,167	88%	$ 19,334	88%
Chemical components	2,856	12	2,577	12
Total	$ 23,023	100%	$ 21,911	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$ —	—	—
1979	0.05	—	—
1978	0.20	—	—
1977	0.20	—	—
1976	0.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 3,900,463	$5.09
1979	3,829,923	4.99
1978	4,554,204	5.94
1977	4,496,028	5.82
1976	4,561,034	5.81

Income Account *

Year ended Oct. 31	1980	1979
Net sales	$ 23,023,269	$ 21,911,410
Cost of sales	16,536,160	16,448,565
Expenses	5,499,110	5,348,691
Interest expense	937,581	738,263
Other income	(61,122)	(43,050)
Income (loss) bef. taxes	$ 111,540	$ (581,059)
Income taxes	41,000	87,680
Minority interest	—	17,787
Net Income (Loss)	$ 70,540	$ (686,526)

* Included in Costs and Expenses, Depreciation: $624,925 in 1980 and $640,805 in 1979.

Assets

As of Oct. 31	1980	1979
Cash	$ 312,094	$ 520,995
Marketable securities	587,151	445,068
Accts. receiv., net	3,318,568	3,188,760
Refundable taxes	23,341	60,000
*Inventories	6,583,429	5,888,463
Prepaid expenses	87,594	107,013
Current Assets	$ 10,912,177	$ 10,210,299
#Fixed assets	2,601,206	2,359,563
Total Assets	$ 13,513,383	$ 12,569,862

Liabilities

	1980	1979
Short-term debt	$ 1,620,000	$ 1,350,000
Long-term debt, curr.	898,000	680,000
Accts. payable & accruals	3,262,602	2,371,343
Curr. Liabilities	$ 5,780,602	$ 4,401,343
Long-term debt	3,832,318	4,338,596
+ Common stock	1,035,411	1,035,411
Add. paid-in capital	2,869,722	2,869,722
Retained earnings	726,653	656,113
Treasury stock	(731,323)	(731,323)
Total Liabilities & Shareholders' Equity	$ 13,513,383	$ 12,569,862

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	0.48	—
%Net Income to Sales	0.31	—
%Net Income to Equity	1.81	—
Sales to Inventories	3.50	3.72
Working Capital	$ 5,131,575	$ 5,808,956
Current Ratio	1.89	2.32
Shareholders' Equity	$ 3,900,463	$ 3,829,923

Compucorp

1901 South Bundy Drive
Los Angeles, California 90025
(213) 820-2503

Officers: Elmer R. Easton, president and chief executive officer; Norman J. Grannis, v.p.-operations; Kas Terhorst, v.p.-marketing; Roger D. Keegan, treasurer, chief financial officer and controller; Cynthia Wells, secretary and corporate counsel.

Directors: Elmer R. Easton, Carlos A. Tomaszewski, Kas Terhorst, Norman J. Grannis, Justo Montero, Minoru Tonai; Paul J. Keil, Lutz-Dieter Beaugrand.

Areas of Work: Engaged in the design, manufacture and marketing of desktop and hand-held computers, word processing equipment and computer components, programmable and nonprogrammable electronic calculators and peripheral equipment.

Transfer Agent(s):

U.S. Stock Transfer Corporation
8383 Wilshire Boulevard
Beverly Hills, California 90021

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CCUP (NASDAQ)

Number of Employees:

1981	119	1978	64
1980	119	1977	56
1979	78		

Plant Footage:

1981	30,000 sq. ft.	1978	30,000
1980	30,000	1977	30,000
1979	30,000		

Sales and Earnings

	Net Sales	Net Income #
1980	$ 9,366,680	$ 50,330
1979	5,965,104	(448,951)
1978	3,819,423	(138,854)
1977	2,329,195	222,789
1976	4,469,310	(2,173,546)

	No. of Com. Shares	Earn. per Share # +
1980	2,503,142	$ —
1979	1,636,100	—
1978	1,580,797	—
1977	1,578,097	0.23
1976	605,890	—

(Loss)
# Including extraordinary gains of $93,400 ($0.10 per share) in 1977 and $1,294,940 ($2.33 per share) in 1976.
+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect reverse stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	—
1978	—	—	—
1977	—	—	1-for-4‡
1976	—	—	—

‡ Reverse stock split.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 9,366,680	$ 5,965,104
Cost of sales	4,787,674	3,479,879
Expenses	4,035,130	2,511,214
Depreciation & amortization	90,725	63,087
Interest expense	312,190	233,468
Interest income	(7,561)	(13,374)
Amort. of deben. disc.	78,042	139,781

	1980	1979
Income (loss) bef. taxes	$ 70,480	$ (448,951)
Income taxes	20,150	—
Net Income (Loss)	$ 50,330	$ (448,951)

Assets

As of Dec. 31	1980	1979
Cash	$ 104,932	$ 152,776
Accts. receiv., net	2,418,025	1,646,668
* Inventories	2,058,237	1,747,288
Prepaid expenses	98,921	103,214
Current Assets	$ 4,680,115	$ 3,659,946
# Fixed assets	291,469	167,457
Deposits	351,051	262,979
Total Assets	$ 5,322,635	$ 4,090,382

Liabilities

	1980	1979
Bank notes payable	$ 795,000	$ 660,000
Sinking fund debentures, curr.	105,580	276,100
Long-term debt, curr.	25,000	25,000
Accts. payable	969,857	1,210,675
Accrued payroll	62,313	86,633
Accrued interest	50,023	55,345
Taxes other than income	42,323	49,171
Dividends	14,312	—
Other accruals	53,977	—
Curr. Liabilities	$ 2,118,385	$ 2,362,924
Long-term debt	1,375,640	1,831,363
+ Preferred stock	136,308	142,203
+ + Common stock	2,252,633	352,947
Deficit	(560,331)	(599,055)
Total Liabilities & Shareholders' Equity	$ 5,322,635	$ 4,090,382

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value; 6% cumulative.
+ + No par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	0.75	—
%Net Income to Sales	0.54	—
%Net Income to Equity	2.75	—
Sales to Inventories	4.55	3.41
Working Capital	$ 2,561,730	$ 1,297,022
Current Ratio	2.21	1.55
Shareholders' Equity (Deficiency)	$ 1,828,610	$ (103,905)

CompuDyne Corporation

Corporate Headquarters:
693 North Hills Road
York, Pennsylvania 17405
(717) 843-4020

Office of the President:
100 South Wacker Drive
Chicago, Illinois 60606
(312) 346-7878

Officers: Frank J. Kelley III, chairman of the board, president & treasurer; Dale V. Dinsmore, v.p. & controller; Bruce Chandler, vice president; Kenneth P. Griffin, secretary.

Directors: Frank J. Kelley III, chairman, Bert G. Kerstetter, Henry G. Van der Eb, W. Newton Burdick, Jr., Lavern H. Brenneman, Bruce Chandler.

Subsidiaries:

General Indicator Corporation (89% owned)
P.O. Box 97
Pardeeville, Wisconsin 53954
(608) 429-2121

Designers and manufacturers of solid state electronic; electro-hyraulic, electro-mechanical, and peripheral equipment for process control systems; radio direction finding systems and optical beacons; electronic data display systems, airport flight information systems, time-temperature signs, and illuminated outdoor signs for merchandising. Other plants are located in Kokomo, Indiana; York, Pennsylvania; Peoria, Illinois; Cheshire and Danbury, Connecticut; San Diego, California; Montreal, Canada; Vienna, Viginia.

Hydra-Tool Company, Inc.
P.O. Box 8191
Topeka, Kansas 66608
(913) 232-7279

Manufacturer of patented hydraulic metal fabricating machines.

Melweb Signs, Inc.
P.O. Box 986
Daytona Beach, Florida 32015
(904) 225-1901

Manufacturing, installation, maintenance and leasing illuminated signs and outdoor advertising.

York-Shipley, Inc.
P.O. Box 349
York, Pennsylvania 17405
(717) 755-1081

Manufactures commercial and industrial heating, ventilating, air conditioning,air handling, air pollution control, steam generating, and waste energy conversion systems.

Bay Harbor Marina, Inc.
Bay City, Michigan

Marina providing mooring, storage, sales and repair of boats.

Electro Neon Sign Company, Inc.
Miami, Florida

Engaged in the manufacture of outdoor illuminnated signs.

Kisando Maufacturing Company, Inc.
Kissimmee, Florida

Engaged in the manufacture of outdoor illiminated signs.

City Sign Service of Stuart, Inc.
Stuart, Florida

Owns and operates outdoor bulletin boards and manufactures illuminated outdooridentification signs in the mid-eastern Florida area.

Republic Electric & Development Co.
Peoria, Illinois

Operating as the "Redco Division" of the Company, engaged in the manufacture and sale of switch gear, electric and controls for powering generating, water, sewage and continuous process systems.

Vega Precision Laboratories, Inc.
800 Follin Lane
Vienna, Virginia 22180
(703) 938-6300

Designs and manufactures radar transponders, radar tracking systems, simulators, data and comm-and control systems, airborne antennas, microwave systems and devices, and location and navigation systems for land, sea, and air vehicles.

Ocean Applied Research Corporation

Engaged in the manufacture and sale of automatic radar direction finding systems, radio beacons and optical beacons.

Data Control Systems, Inc.
Danbury, Connecticut

Transfer Agent(s):

Maryland National Bank
225 N. Calvert Street
Baltimore, Maryland 21202

Stock Exchange(s): American

Ticker Symbol: CDC

Number of Employees:

1980	1,560	1977	1,228
1979	1,650	1976	1,220
1978	1,150		

Sales and Earnings

	Net Sales +	Net Income ‡
1980	$ 76,664,243	$ 1,534,527
1979	59,717,731	1,578,108
1978	45,942,725	547,026
1977	44,708,000	1,144,610
1976	38,226,000	1,059,982

	No. of Com. Shares #	Earn. per Share #‡
1980	1,006,184	$1.30
1979	1,053,695	1.27
1978	1,055,316	0.44
1977	1,070,402	0.89
1976	1,071,383	0.80

+ Of continuing operations only.

‡ Including extraordinary credits of $162,400 ($0.16 per share) in 1980, $286,000 ($0.27 per share) in 1979 and $66,790 ($0.06 per share) in 1978.

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect reverse stock split.

Revenues By Line of Business
(000's)

	1980	1979
Energy & Environment	$ 21,935	$ 19,425
Precision Products	10,339	8,152
Visual Communications	24,702	22,215
Control Systems	19,688	9,926
Total	$ 76,664	$ 59,718

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	1-for-3†

† Reverse stock split.

Common Stock Equity

	Total Equity#	Equity Per Share ‡
1980	$ 6,700,100	$6.66
1979	5,712,444	5.42
1978	4,585,377	4.35
1977	4,283,734	4.00
1976	3,396,145	3.17

# After allowing for preferred stock at liquidation values.

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect reverse stock split.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 76,664,243	$ 59,717,731
Cost of sales	55,831,433	43,914,738
Expenses	15,275,563	11,886,393
Other income	(450,486)	(573,530)
Interest expense	3,391,406	2,065,922
Income before taxes	$ 2,616,327	$ 2,424,208
Income taxes	1,244,200	1,132,100
Net Income	$ 1,372,127	$ 1,292,108
Extraordinary credit	162,400	286,000
Net Income & extraord. credit	$ 1,534,527	$ 1,578,108

*Included in Costs and Expenses, Depreciation and Amortization: $1,620,163 in 1980 and $1,331,793 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 812,107	$ 367,919
Cert. of deposit	210,876	407,493
Accts. receiv., net	13,613,166	12,931,605
*Inventories	15,442,947	13,694,183
Prepaid expenses	941,427	822,485
Current Assets	$ 31,020,523	$ 28,223,685
Marketable equity secur. at market val.	275,572	275,572
# Fixed assets	12,473,189	12,376,396
Engin. & shop drawing, at cost	602,803	644,263
Other assets	933,748	576,595
Total Assets	$ 45,305,835	$ 42,096,511

Liabilities

Notes payable & Long-term debt. curr.	$ 9,990,153	$ 8,180,243
Accts. payable	5,809,797	6010,017
Accruals	3,051,469	2,537,165
Customer deposits	757,636	1,035,173
Dividends payable	90,077	121,592
Income taxes	401,733	26,551
Curr. Liabilities	$ 20,100,865	$ 17,910,741
Long-term debt	15,856,195	14,332,009
Deferred inc. taxes	282,069	267,339
Deferred compensation	460,811	274,678
Deferred creditref. ste	146,155	—
# Redeem. pref. stock	549,500	2,699,300
+ + Preferred stock		
Series A	900,000	900,000
Series B	310,140	—
+ + + Common stock	790,649	790,649
Add. paid-in capital	541,089	541,089
Retained earnings	6,062,531	4,753,311
Treasury stock	(321,564)	—
Loss on marketable equity security	(372,605)	(372,605)
Total Liabilties & Shareholders' Equity	$ 45,305,835	$ 42,096,511

*At lower of cost (FIFO and LIFO) or market.
# Less accumulated depreciation and amortization.
+ $100 par value.
+ + No par value.
+ + + $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.41	4.06
%Net Income to Sales	1.79	2.16
%Net Income to Equity	17.35	19.54
Sales to Inventories	4.96	4.36
Working Capital	$ 10,919,658	$ 10,312,944
Current Ratio	1.58	1.54
Shareholders' Equity	$ 7,910,240	$ 6,612,444

CompuScan, Inc.

900 Huyler Street
Teterboro, New Jersey 07608
(201) 288-6000

Officers: Bruce Bambrough, chairman; Robert S. Bernstein, president & chief exec. officer; Marvin Weiss, v.p.-engineering; Jacob Millman, v.p.-staff; Vincent P. Marasco, exec. v.p. & chief financial officer; Fred J. Silva, v.p.-mfg.; Carol M. Darrow, secretary.

Directors: Michel R. Bailleul, William T. Burgin*, Bruce Bambrough, Derrick Ashcroft, Robert W. Fischer, Daniel Sinnott.

*Member of Executive Committee.

Areas of Work: Designs, manufactures and markets data acquisition sysyems, optical character reading systems and computer peripheral equipment.

Subsidiaries:

CompuScan International (DISC)

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07106

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CSCN (NASDAQ)

Number of Employees:

1980 . . . . . . 300 1978 250
1979 300

Plant Footage:

1980 . . . . . . 39,000 sq. ft. 1978 39,000
1879 39,000

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 18,186,000	$ (6,163,000)
1979	14,965,000	276,000
1978	7,168,000	(7,684,000)
1977	13,708,000	1,223,000
1976	13,090,000	1,627,000

	No. of Com. Shares #	Earn. per Share # ‡
1980	2,474,555	—
1979	2,109,389	$0.13
1978	2,056,447	—
1977	2,129,177	0.56
1976	1,670,005	0.97

(Loss)
‡ Including extraordinary credits of $123,000 ($0.06 per share) in 1979, $227,000 ($0.13 per share) in 1976, and extraordinary loss of $330,000 in 1980.
# Based on average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1980	1979	1978	1977
OCR machines	94.0%	89.0%	98.0%	72.7%
Storage & editing systems	6.0	11.0	2.0	24.0

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ (601,000)	$ —
1979	2,060,000	0.83

(Deficiency)
‡ Based on average number of common shares and common share equivalents outstanding.

Income Account *

Year ended May 31	1980	1979
Net sales	$ 18,186,000	$ 14,965,000
Cost of sales	13,954,000	7,285,000
Expenses	6,525,000	4,673,000
Res. develop., engr. & prog. costs	2,216,000	1,656,000
Interest & other exp.	1,324,000	1,056,000
Income (loss) before taxes	$ (5,833,000)	$ 295,000
Income taxes	—	142,000
Net Income (loss)	$ (5,833,000)	$ 153,000
Extraord. gain (loss)	(330,000)	123,000
Net Income (Loss) & extraord. items	$ (6,163,000)	$ 276,000

* Included in Costs and Expenses, Depreciation and Amortization: $829,000 in 1980 and $405,000 in 1979.

Assets

As of May 31	1980	1979
Cash	$ 447,000	$ 576,000
Accts. receiv., net	3,796,000	4,045,000
* Inventories	4,080,000	5,606,000
Curr. Assets	$ 8,323,000	$ 10,227,000
# Fixed assets	3,143,000	3,433,000
Other assets	1,171,000	442,000
Total Assets	$ 12,637,000	$ 14,102,000

Liabilities

Notes payable	$ 700,000	$ 135,000
Long-term debt, curr.	—	867,000
Accts. payable	1,514,000	994,000
Accruals	994,000	1,514,000
Curr. Liabilities	$ 4,238,000	$ 3,512,000
Long-term debt	7,500,000	8,427,000
Redeem. pref. stock:		
+ Series B	—	103,000
+ + Series C	1,500,000	—
+ + + Common stock	285,000	209,000
Add. paid-in capital	9,844,000	6,421,000
Retained earnings (deficit)	(10,730,000)	(4,567,000)
Treasury stock	—	(3,000)
Total Liabilities & Shareholders' Equity	$ 12,637,000	$ 14,102,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value; $9 cumulative convertible.
+ + $1 par value; $5 cumulative convertible.
+ + + $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	1.97
%Net Income to Sales	—	1.02
%Net Income to Equity	—	7.43
Sales to Inventories	4.46	2.67
Working Capital	$ 4,085,000	$ 6,715,000
Current Ratio	1.96	2.91
Shareholders' Equity (Deficency)	$ (601,000)	$ 2,060,000

Computer & Communications Technology Corp.

495 South Fairview Avenue
Santa Barbara, California 93117
(805) 964-0771

Officers: E.T. Bahre, chairman of the board, chief executive officer & president; Robert J. Leaver, v.p., general counsel & secretary; Robert L. McKay, v.p.-finance; Jerry F. Smith, v.p.-personnel; John M. Gibbons, treasurer; Howard F. Earhart, v.p.

Directors: E.T. Bahre, chairman of the board; William R. Hambrecht, Stephen A. Koffler, Melvin A. Shader, John C. Lobb.

Areas of Work: Through a group of autonomous operating subsidiaries serving high technology markets, manufactures high technology products for computer applications and high technology microwave products and subsystems for communications and aerospace applications.

Subsidiaries:

Data Peripherals
965 Stewart Drive
Sunnyvale, California 94086
Designs, developes, manufactures and markets peripheral equipment for minicomputer markets.

Information Magnetics Corporation
495 South Fairview Avenue
Santa Barbara, California 93117
Designs, manufactures, refurnishes and sells magnetic disc recording heads used in magnetic recording data storage units (peripheral memories) for data processing systems.

Zeta Laboratories, Inc.
3265 Scott Boulevard
Santa Clara, California 95051
Engaged in the development and manufacture of high-technology microwave components and subsystems for communications and aerospace applications. Products include: synthesizes, oscillators, multipliers doppler simulators, comb generators and tubable filters.

Yang Electromagnetic Systems, Inc.
275 South Laurel Drive
Ventura, California 93001

Information Magntics Caribe Inc.
P.O. Box Road 125 KM1
Moca, Puerto Rico

Transfer Agent(s):

Security Pacific National Bank
Corporate Trust Division
P.O. Box 30376
Terminal Annex
Los Angeles, California 90030

Computer & Communications Technology Corp.

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CCTC (NASDAQ)

Number of Employees:

1980	1,320	1977	1,000
1979	852	1976	1,024
1978	819		

Sales and Earnings ‡

	Net Sales +	Net Income †
1980	$ 46,253,000	$ 3,423,000
1979	36,454,000	2,292,000
1978	27,469,000	815,000
1977	28,027,000	(514,000)
1976	25,132,000	1,672,000

	No. of Com. Shares #	Earn. per Share # †
1980	2,618,000	$1.31
1979	2,316,000	0.99
1978	2,069,000	0.39
1977	1,887,000	—
1976	1,622,000	1.03

(Loss)

‡ Restated to include operations of companies acquired on a pooling of interests basis.

+ Of continuing operations only.

† Including extraordinary gain of $48,000 ($0.03 per share) in 1976.

# Based on the weighted average number of common shares and common shares equivalents outstanding.

Common Stock Equity ‡

	Total Equity	Equity Per Share †
1980	$ 18,044,000	$6.89
1979	13,645,000	5.89
1978	8,559,000	4.14
1977	7,660,000	4.06
1976	8,043,000	4.96

‡ Restated to include operations of companies acquired on a pooling of interests basis.

† Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended	12/27/80	12/29/79 ‡
Net sales	$ 46,253	$ 36,454
Other income	884	634
Total income	$ 47,137	$ 37,088
Cost of sales	30,057	25,581
Eng. & develop. exp.	3,789	1,283
Selling, gen. & adm. exp.	6,767	5,328
Interest expense	349	309
Income before taxes	$ 6,275	$ 4,587
Income taxes	2,852	2,295
Net Income	$ 3,423	$ 2,292

* Included in Costs and Expenses, Depreciation and Amortization: $1,175,000 in 1980 and $1,333,000 in 1979.

‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets
(000's)

As of	12/27/80	12/29/79 ‡
Cash	$ 6,738	$ 5,971
Trade receiv.	7,066	5,480
Note receiv.	—	287
*Inventories	6,360	5,424
Other curr. assets	1,048	793
Current Assets	$ 21,212	$ 17,955
Note receiv.	107	—
#Fixed assets	3,829	3,078
Intangibles	2,778	2,850
Total Assets	$ 27,926	$ 23,883

Liabilities

Notes payable, curr.	$ 1,104	$ 1,104
Accts. payable	3,484	2,273
Accruals	3,141	2,300
Income taxes	1,027	2,391
Curr. Liabilities	$ 8,756	$ 8,068
Long-term notes pay.	957	1,996
Minority interest	—	7
Deferred inc. taxes	169	167
+ Common stock	1,009	980
Add. paid-in capital	9,391	8,521
Receiv. from sale of stock	(74)	(151)
Retained earnings	7,718	4,295
Total Liabilities & Shareholders' Equity	$ 27,926	$ 23,883

‡ Restated to include operations of companies acquired on a pooling of interests basis.

* At lower of cost (FIFO) or market.

# Less accumulated depreciation.

+ $0.40 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.57	12.58
%Net Income to Sales	7.40	6.29
%Net Income to Equity	18.97	16.80
Sales to Inventories	7.27	6.72
Working Capital	$ 12,456,000	$ 9,887,000
Current Ratio	2.42	2.23
Shareholders' Equity	$ 18,044,000	$ 13,645,000

Computer Automation, Inc.

2181 Dupont Avenue
Irvine, California 92713
(714) 833-8830

Officers: George Pratt, chairman of the board, David H. Methvin, president & chief executive officer; Stuart F. Dale, v.p. & gen. mgr., Computer Automation Ireland Limited; George E. Dashiell, v.p. & gen. mgr. Commercial Systems Div.; Gordon M. Watson, v.p. & gen. mgr., Naked Mini Division; Paul F. Hoff, v.p.-finance & treasurer; Douglas Cutsforth, v.p. & gen. mgr. Industrial Products Div.; Geoffrey Salkeld, v.p. Mary L. Hancock, secretary.

Directors: George Pratt, chairman of the board; Robert E. Rawlins, George W. Brown, Harold R. Frank, David H. Methvin.

Areas of Work: Engaged in the development and production of minicomputers for original equipment manufacturers; also produces computerized systems built to test electronic circuitry.

Divisions and Subsidiaries:

Naked Mini Division
59 Brookhollow Drive
Santa Ana, California 92705
(714) 546-9550

Commercial Systems Division
304 Harper Drive
Moorestown, New Jersey 08057
(609) 778-8830

Industrial Products Division
AUTOMATIC Test Systems
3218 Scott Blvd.
Santa Clara, California 95051
(408) 727-6800

CAI, Ltd.
Hertford House
Denham Way, Maple Cross
Rickmansworth WD32XD
Hertfordshire, England

Computer Automation (France) S.A.R.L.
Zone Industrielle BP 44
Rue Fourny, 78530 Buc
France

Computer Automation GmbH
Bleichstrasse 60-62
6000 Frankfurt/Main
West Germany

Computer Automation Ireland Ltd.
IDA Industrial Estate
Clonsaugh, Coolock
Dublin 5, Ireland

Computer Automation (India) Ltd.
Unit 8 S.D.F.
Santa Cruz Electronics
Export Processing Zone, Anheri (East)
Bombay, India 40096

Transfer Agent(s):

Union Bank
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CAUT (NASDAQ)

Number of Employees:

1979	1,200	1977	1,058
1978	1,100	1976	525

Plant Footage:

1979	378,000 sq. ft.	1977	236,845
1978	335,000	1976	119,300

Sales and Earnings

	Revenue	Net Income
1980	$ 81,151,000	$ 4,601,000
1979	63,506,000	(4,188,000)
1978	61,380,000	6,144,000
1977	43,037,523	5,317,344
1976	30,397,869	3,098,043

	No. of Com. Shares +	Earn. per Share +
1980	1,999,089	$2.30
1979	1,969,870	—
1978	1,993,496	3.08
1977	1,951,196	2.72
1976	1,907,931	1.62

(Loss)

+ Based on weighted average number of shares outstanding assuming full dilution.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$ —	—	—
1979	0.20	—	—
1978	0.20	—	—
1977	0.14	—	—
1976	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 26,496,000	$13.25
1979	21,357,000	10.84
1978	25,687,000	12.89
1977	19,098,633	9.79
1976	13,038,890	6.83

+ Based on weighted average number of shares outstanding assuming full dilution.

Income Account *

Year ended June 30	1980	* 1979
Revenue	$ 81,155,000	$ 63,506,000
Cost of prods. & serv.	39,213,000	34,439,000
Expenses	33,509,000	33,574,000
Interest expense	2,242,000	1,903,000
Other expense (income)	(363,000)	95,000
For. curr. trans.	(296,000)	(162,000)

Income (loss) before taxes	$ 6,846,000	$ (6,343,000)
Income taxes (credit)	2,245,000	(2,155,000)
Net Income (Loss)	$ 4,601,000	$ (4,188,000)

*Included in Costs and Expenses, Depreciation and Amortization: $1,649,000 in 1980 an $1,757,000 in 1979.

Assets

As of June 30	1980	1979‡
Cash	$ 1,362,000	$ 3,773,000
Accts. receiv. net	20,622,000	19,626,000
*Inventories	20,441,000	21,363,000
Prepaid expenses	665,000	573,000
Refund. taxes	48,000	593,000
Deferred tax benefits	2,152,000	2,467,000
Current Assets	$ 45,290,000	$ 48,395,000
# Fixed assets	5,233,000	5,452,000
Other assets	364,000	451,000
Total Assets	$ 50,887,000	$ 54,298,000

Liabilities

Notes payable	$ 10,350,000	$ 11,300,000
Long-term debt, curr.	69,000	6,497,000
Accts. payable	5,840,000	7,416,000
Accruals	4,422,000	5,605,000
Income taxes	1,720,000	—
Curr. Liabilities	$ 22,401,000	$ 30,818,000
Oblig. under cap. lease	1,550,000	1,624,000
Deferred income	440,000	499,000
+ Common stock	200,000	198,000
Add. paid-in capital	8,551,000	8,475,000
Contrib. under emp. stock plan	460,000	—
Retained earnings	17,626,000	13,205,000
Note receivable	(341,000)	(341,000)
Total Liabilities & Shareholders' Equity	$ 50,887,000	$ 54,298,000

‡ Reclassified to conform to current presentation.
*At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.44	—
%Net Income to Sales	5.67	—
%Net Income to Equity	17.36	—
Working Capital	$ 22,889,000	$ 17,577,000
Current Ratio	2.02	1.57
Shareholders' quity	$ 26,496,000	$ 21,357,000

Computer Communications, Inc.

2610 Columbia Street
Torrance, California 90503
(213) 320-9101

Officers: Raymond E. High, chairman of the board & president: Carlton E. Vanderbeek, exec.v.p: Ervin K. Dorff, sr. v.p: Gene G. Ruckh, v.p.-finance: Harold L. Ridout, v.p-manufacturing: Papken Sassouni, v.p.-special marketing: James P. Fugere, v.p.-research & development: Charles B Bailey, Jr. v.p.-sales; Jesse J. Acciacca, v.p.-customer service: Eugene M. Guffan, treasurer & secretary.

Directors: Raymond E. High, Carlton E. Vanderbeek, Ervin K. Dorff, Arnold W. Morrison, Sidney H. Stires.

Areas of Work: CCI is a computer systems firm offering a complete range of system design, engineering and program development: data communications products include display/communications terminals, a communications processing computer with a complete set of associated storage units, peripheral devices and communications line interface modules, and complete data communications systems which utilize these products as components integrated together with operating software.

NOTE: As of November 6, 1980, the company has been operating as a debtor in possession under Chapter 11 of the Federal Bankruptcy Code.

Subsidiaries:

C.C. Systems

Transfer Agent(s):

Wells Fargo Bank
P.O. Box 30407, Terminal Annex
Los Angeles, California 90030

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	214	1977	250
1979	349	1976	200
1978	352		

Plant Footage:

1980	50,900 sq.ft.	1977	50,000
1979	50,000	1976	50,000
1978	50,000		

Sales and Earnings

	Revenues ‡	Net Income#
1980	$ 14,226,471	$ (7,000,392)
1979	18,645,860	875,705
1978	16,727,369	793,023
1977	13,522,380	1,813,693
1976	8,238,284	1,104,473

	No. of Com. Shares	Earn. per Share# +
1980	3,748,241	$ —
1979	3,604,493	0.24
1978	2,962,856	0.26
1977	2,774,246	0.61
1976	2,662,527	0.40

(Loss)
‡ Of continuing operations only.
# Including extraordinary gains of $412,000 ($0.11 per share) in 1979, $587,000 ($0.19 per share in 1978 $923,000 ($0.31 per share) in 1977 and $530,000 ($0.19 per share) in 1976.
+ Based on the weighted average number of common shares and commmon share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,395,861	$0.64
1979	8,755,587	2.43
1978	3,792,319	1.28
1977	2,885,960	1.04
1976	820,567	0.35

Income Account *

Year ended June 30	1980	1979
Net sales	$ 13,915,260	$ 18,422,132
Other income	311,211	223,728
Total incone	$ 14,226,471	$ 18,645,860
Cost of sales	11,191,061	9,876,838
Expenses	8,419,800	6,753,277
Interest expense	1,625,002	1,084,040
Income (loss) before taxes	$ (7,000,392)	$ 931,705
Income taxes	—	468,000
Net Income(Loss)	$ (7,000,392)	$ 463,705
Extraord. gain	—	412,000
Net Income (Loss) & extraord. gain	$ (7,000,392)	$ 875,705

*Included in Costs and Expenses, Depreciation and Amortization $476,146 in 1980 and $113,611 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 10,087	$ 232,746
Accts.receiv.net	7,126,804	13,020,099
Notes receivable	290,736	—
*Inventories	5,822,841	3,287,976
Prepaid expenses	84,024	122,249
Current Assets	$ 13,334,492	$ 16,663,070
Receivables	802,309	1,148,752
# Fixed assets	1,826,989	1,977,808
Equip. under lease	846,255	949,737
Resid. value of leases	350,508	269,446
Other assets	122,945	138,327
Total Assets	$ 17,283,498	$ 21,147,140

Liabilities

Long-Term debt.curr.	$ 7,444,301	$ 5,689,357
Accts. payable	3,602,470	2,504,578
Accruals	1,831,841	1,371,422
Curr. Liabilities	$ 12,878,612	$ 9,565,357
Long-term debt	2,009,025	2,826,196
+ Common stock	3,748,241	3,604,493
Add.paid-in capital	14,603,695	14,119,387
Deficit	(15,556,515)	(8,556,123)
Notes receivable	(399,560)	(412,170)
Total Liabilities & Shareholders' Equity	$ 17,283,498	$ 21,147,140

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortizations.
+ $1 par value.

Statistical Summary

%Income before Taxes to Sales	—	5.06
%Net Income to Sales	—	2.52
%Net Income to Equity	—	5.30
Sales to Inventories	2.39	5.60
Working Capital	$ 455,880	$ 7,097,713
Current Ratio	1.04	1.74
Shareholders' Equity	$ 2,395,861	$ 8,755,587

Computer Consoles, Inc.

97 Humboldt Street
Rochester, New York 14609
(716) 482-5000

Officers: Herman A. Affel, Jr., president & treasurer: Jeffrey Tai, senior v.p.-operations: Gary D. Haynes, v.p.-marketing: William N. Stirlen, v.p.-corp. development: Robert L. Brorein, v.p.-manufacturing: Arthur A. Russell, v.p.-controller & assistant secretary: J. William Reeves, secretary: Martin J. Cournan, v.p.-national sales: William F. Deller, v.p.-engineering: Glenn A. Marshall, v.p.-field service.

Directors: Herman A. Affel*, Jr., George S. Beinetti*, Norman O. Bender, Jr.*, Edgar F. Heizer, Jr., Raymond S. Livingstone, Jr., Jeffrey Tai, Justin L. Vigdor, H. Martin Weingartner.

*Member of Executive Committee.

Areas of Work: Designs, develops, manufactures, markets, and services a variety of mini-computer-based application-oriented file management systems which are primarily sold or leased to telephone companies.

Transfer Agent(s):

Lincoln First Bank, N.A.
One Lincoln First Square
Rochester, New York 14643

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CSOL (NASDAQ)

Number of Employees:

1980	712	1977	381
1979	590	1976	375
1978	437		

Plant Footage:

1980	110,000 sq. ft.	1978	110,000
1979	110,000	1977	110,000

Computer Consoles, Inc.

Sales and Earnings

	Revenues	Net Income
1980	$ 44.149,592	$ 4,837,278
1979	28,072,314	3,505,461
1978	17,550,543	1,233,648
1977	15,962,000	852,000
1976	8,435,000	(447,000)

	No. of Com. Shares †	Earn. per Share +
1980	5,243,497	$0.96
1979	3,785,328	0.79
1978	3,607,394	0.31
1977	1,706,962	0.23
1976	1,703,860	—

(Loss)

† Adjusted to reflect stock dividend.

+ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	100%	—

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 25,700,905	$4.90
1979	10,253,834	2.71
1978	6,268,962	1.74
1977	2,896,302 ‡	1.70
1976	2,095,700 ‡	1.23

‡ After allowing for preferred stock at par value.

† Adjusted to reflect stock dividend.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 35,598,353	$ 21,661,537
Other income	8,551,239	6,410,777
Total revenues	$ 44,149,592	$ 28,072,314
Cost of revenues	21,241,469	13,250,391
Expenses	15,710,637	9,084,085
Oper. profit	$ 7,197,486	$ 5.73,838
Interest expense	932,988	681,345
Income before taxes	$ 6,264,498	$ 5,056,493
Income taxes	2,726,200	2,283,100
Minority interest	(1,298,980)	(732,068)
Net Income	$ 4,837,278	$ 3,505,461

* Included in Costs and Expenses, Depreciation: $1,567,284 in 1980 and $1,158,382 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 3,246,390	$ 2,356,742
Accts. receiv., net	6,360,426	543,060
Receiv. fr. finance subsid.	5,220,199	2,367,872
* Inventories	13,924,301	14,780,459
Prepaid expenses	392,534	95,499
Current Assets	$ 29,143,850	$ 20,143,632
Notes receivable	821,350	170,819
# Rental equipment	992,495	1,081,978
# Fixed assets	4,374,096	2,148,158
Invest. in sales-type leases	201,416	563,033
Invest. in fin. subsid.	2,387,719	1,088,739
Total Assets	$ 37,920,926	$ 25,196,359

Liabilities

Notes payable	$ —	$ 5,900,000
Accts. payable	1,766,149	2,060,319
Accruals	3,099,058	2,723,705
Cur. Liabilities	$ 4,865,207	$ 10,684,024
Advance payments	684,550	1,036,001
Deferred inc. taxes	5,537,982	3,222,500
Def. dir. fin. lease inc.	1,132,282	—
+ Common stock	524,341	189,266
Add. paid-in capital	15,371,878	5,097,160
Retained earnings	9,804,686	4,967,408
Total Liabilities & Shareholders' Equity	$ 37,920,926	$ 25,196,359

* At lower of cost (FIFO) or market.

# Less accumulated depreciation.

+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	14.19	18.01
%Net Income to Revenues	10.96	12.49
%Net Income to Equity	18.82	34.19
Working Capital	$ 24,278,643	$ 9,459,608
Current Ratio	5.99	1.89
Shareholders' Equity	$ 25,700,905	$ 10,253,834

Computer Image Corporation

2475 West Second Avenue
Suite 4
Denver, Colorado 80223
(303) 934-5801

Officers: Lee Harrison III, chairman of the board & president & chief operating officer; Pete Freyschlag, v.p.-production operations; Edwin J. Tajchman, vice president-engineering & secretary-treasurer; Gerald Farr, v.p.-corp. planning & marketing.

Directors: Lee Harrison III, chairman; David D. Connell, Robert C. Gathers, Daniel J. Yomine, Mark G. Benz.

Areas of Work: Engaged in the development, manufacture and marketing of electro-visual communication products, including Scanimate graphic animation systems and devices. Provides software for industrial, government and educational markets; character animation systems and film production.

Subsidiary:

Computer Image Overseas Corporation

Transfer Agent(s):

First Independent Stock Transfer Agent, Inc.
Denver, Colorado

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CIMG (NASDAQ)

Number of Employees:

1980 32

Plant Footage:

1980 . . . . . . 10,000 sq. ft.

Sales and Earnings

	Net Sales +	Net Income ‡
1980	$ 1,500,000	$ 104,310
1979	1,078,000	42,659
1978	836,000	67,475
1977	552,000	(44,197)
1976	757,000	15,290

	No. of Com. Shares	Earn. per Share ‡†
1980	1,484,170	$0.07
1979	1,474,170	0.03
1978	1,474,170	0.05
1977	1,467,170	—
1976	1,451,156	0.01

(Loss)

+ Of continuing operations only.

† Based on the weighted average of common shares and common share equivalents outstanding.

‡ Including extraordinary gains of $28,000 ($0.02 per share) in 1980, $11,200 ($0.01 per share) in 1979, $22,500 ($0.02 per share) in 1978 and $4,000 in 1976.

Income Account *

Year ended June 30	1980	1979
Revenues	$ 1,500,638	$ 1,077,739
Cost of sales and services	441,930	387,752
Cost of computer system sold	162,950	—
Expenses	575,962	500,047
Depreciation & amortization	154,235	96,615
Interest expense	61,251	50,666
Income before taxes	$ 104,310	$ 42,659
Income taxes	28,000	11,200
Net Income	$ 76,310	$ 31,459
Extraordinary gain	28,000	11,200
Net Income & extraordinary gain	$ 104,310	$ 42,659

Assets

As of June 30	1980	1979
Cash	$ 36,998	$ 744
Accts. & contracts receiv., net	111,045	96,647
*Inventories	74,680	14,364
Prepaid expenses & other assets	10,790	6,824
Current Assets	$ 233,513	$ 118,579
Note receivable	134,000	750,000
# Fixed assets	1,107,475	355,489
Intangibles	86,024	98,024
Total Assets	$ 1,561,012	$ 1,322,092

Liabilities

Notes payable	$ 81,506	$ 71,456
Long-term debt, curr.	130,876	116,775
Accts. payable	122,236	79,226
Accruals	82,175	44,780
Curr. Liabilities	$ 416,793	$ 312,237
Long-term debt	612,604	714,920
Deferred income	864,044	741,674
+ Common stock	148,417	147,417
Add. paid-in capital	3,804,989	3,795,989
Deficit	(4,285,835)	(4,390,145)
Total Liabilities & Shareholders' Equity	$ 1,561,012	$ 1,322,092

*At lower of cost (FIFO) or market.

# Less accumulted depreciation.

+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	6.95	3.96
%Net Income to Revenues	5.09	2.92
Shareholders' Equity (Deficiency)	$ (332,429)	$ (446,739)

Computer Operations, Inc.

5001 J Forbes . :vard
Lanham, Maryl: . 20801
(301) 459-2100

Officers: W. Ronald Davies, chairman of the board; Stephen E. Silverman, president; David W. Mason, secretary & treasurer; Stanislaw B. Michalski, v.p.-marketing & sales; Donald L. Watson, v.p.-mfg.

Directors: W. Ronald Davies, Stephen E. Silverma, Robert Kharasch, Howard L. Morgan, Philip K. Edwards.

Areas of Work: Manufacturers and markets peripheral equipment for small scale or "mini" computer systems, peripheral equipment for numerically controlled machine tools and video character generators.

Divisions:

Knox Video Products
Manufactures video character generators used to superimpose alphanumeric information over a televised picture. Products are used in the broadcast industry as well as in educational and industrial studios.
Computer Operations International, Inc. (DISC)
Lanham, Maryland

Transfer Agent(s):

Maryland National Bank
Baltimore, Maryland 21203

Stock Exchange(s): Over-the-Counter

Number of Employees:

1981	42	1978	19
1980	35	1977	18
1979	25		

Plant Footage:

1981	16,850 sq. ft.	1978	8,640
1980	8,640	1977	8,640
1979	8,640		

Sales and Earnings

	Revenues	Net Income
1981	$ 2,636,957	$ 21,938
1980	2,220,628	160,156
1979	1,572,387	129,050
1978	1,400,445	161,596
1977	1,120,207	57,970

	No. of Com. Shares +	Earn. per Share +
1981	447,954	$0.05
1980	447,954	0.36
1979	418,754	0.31
1978	407,807	0.40
1977	406,546	0.14

+ Based on the daily average number of shares outstanding adjusted to reflct stock dividends.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1981	—	6%	—
1980	—	6%	—
1979	$0.08	6%	—

+ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1981	$ 1,300,758	$2.90
1980	1,278,820	2.85
1979	1,118,664	2.67
1978	953,262	2.34
1977	790,166	1.94

‡ Based on the daily average number of shares outstanding adjusted to reflect stock dividends.

Income Account *

Year ended Feb. 28	1981	1980
Net sales	$ 2,636,957	$ 2,220,628
Cost of sales	1,270,083	957,848
Expenses	1,294,340	1,009,953
Other expenes	63,366	38,241
Income before taxes	$ 9,168	$ 214,586
Income taxes (credit)	(12,770)	54,430
Net Income	$ 21,938	$ 160,156

* Included in Costs and Expenses, Depreciation and Amortization: $78,219 in 1981 and $73,969 in 1980.

Assets

As of Feb. 28	1981	1980
Cash	$ 24,273	$ 38,269
Accts. receiv., net	658,367	446,104
Refundable taxes	25,104	2,891
* Inventories	781,159	669,684
Prepaid expense	13,788	12,613
Current Assets	$ 1,477,587	$ 1,166,670
# Fixed assets	377,485	310,292
Other assets	99,282	120,242
Total Assets	$ 1,954,354	$ 1,597,204

Liabilities

Long-term debt, curr.	$ 47,352	$ 45,620
Accts. payable	278,604	144,822
Accruals	22,070	69,450
Deferred inc. taxes	5,570	5,570
Loan payable	300,000	—
Curr. Liabilities	$ 653,596	$ 265,462
Long-term debt	—	47,352
Deferred inc. taxes	—	5,570
+ Common stock	22,679	21,400
Add. paid-in capital	899,037	695,716
Retained earnings	384,017	566,679
Treasury stock	(4,975)	(4,975)
Total Liabilities & Shareholders' Equity	$ 1,954,354	$ 1,597,204

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.05 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.35	9.66
%Net Income to Sales	0.83	7.21
%Net Income to Equity	1.69	12.52
Sales to Inventories	3.38	3.32
Working Capital	$ 823,991	$ 901,208
Current Ratio	2.26	4.39
Shareholders' Equity	$ 1,300,758	$ 1,278,820

Computer Products, Inc.

1400 N.W. 70th Street
Post Office Box 23849
Fort Lauderdale, Florida 33307
(305) 974-5500

Officers: David C. Yoder, president; Keith F. Vreeland, v.p. & gen. mgr., Measurement & Control Systems Division; Edward J. Schneider, v.p. & gen. mgr., Power Products Division; Norman E. MacGregor, v.p. sales & Mktg., Measurement & Control Systems Division; Dorothy F. Dwyer, secretary; L. Leo Burch, treasurer & controller.

Directors: David C. Yoder, Daniel S. Wiper, Edward J. Schneider, Bert Sager, Edward S. Croft, III, Keith F. Vreeland, J. Earl Templeton.

Areas of Work: Develops, manufactures and markets digital data acquisition systems; computer peripheral products; computer system components. Two basic product lines are manufactured and sold: RTP Systems and encapsulated power supplies. RTP-type systems are devices used to link computers to functions in factories or plants so as to automate them.

Computer Products Export Corp. (CPEC)

Transfer Agent(s):

State Street Bank and Trust Company
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CPRD (NASDAQ)

Number of Employees:

1980	400	1977	283
1979	400	1976	193
1978	275		

Plant Footage:

1980	57,000 sq. ft.	1977	50,000
1979	57,000	1976	40,000
1978	57,000		

Sales and Earnings

	Net Sales	Net Income
1980*	$ 18,946,126	$ 2,068,280
1979	14,021,741	1,468,504
1978	10,578,941	1,149,834
1977	8,906,730	895,230
1976	6,153,038	508,624

	No. of Com. Shares ×	Earn. per. Share ×
1980	3,748,662	$0.55
1979	3,353,252	0.44
1978	3,271,632	0.35
1977	2,946,311	0.30
1976	2,871,936	0.18

* 53 weeks.
× Based on the weighted average number of common shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend†	Stock Split
1980	—	20%	—
1979	—	20%	—
1978	—	20%	—
1977	—	20%	—
1976	—	20%	—

† In the form of a 6-for-5 stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 14,040,373	$3.75
1979	7,464,163	2.23
1978	5,987,523	1.83
1977	3,104,564	1.05
1976	2,170,608	0.76

‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock dividends.

Income Account *

Year ended	1/2/81 (53 weeks)	12/28/79
Net sales	$ 18,946,126	$ 14,021,741
Cost of sales	9,514,026	7,024,126
Expenses	5,128,937	3,571,084
Res. & develop. exp.	1,118,937	896,714
Income before taxes	$ 3,184,226	$ 2,529,817
Income taxes	1,115,946	1,061,313
Net Income	$ 2,068,280	$ 1,468,504

* Included in Costs and Expenses, Depreciation: $318,347 in 1980 and $181,654 in 1979.

Assets

As of	1/2/81	12/28/79
Cash	$ 330,084	$ 148,818
Cert. of deposit	3,400,000	50,000
Accts. receiv., net	3,326,227	3,509,114
*Inventories	6,217,242	5,054,969
Prepaid expenses	161,767	128,513
Current Assets	$ 13,435,320	$ 8,891,414
#Fixed assets	3,304,800	2,168,643
Other assets	20,628	21,969
Total Assets	$ 16,760,748	$ 11,082,026

Liabilities

Note payable	$ 88,967	$ 848,865
Accts. payable	226,327	667,156
Accruals	128,824	101,105
Accrued payroll	642,030	602,289
Income taxes	526,504	483,624
Payroll taxes	41,511	22,597
Curr. Liabilities	$ 1,654,163	$ 2,725,636
Notes payable	878,663	752,816
Deferred inc. taxes	187,549	139,411
+ Common stock	41,079	28,000
Add. paid-in capital	7,549,651	3,041,418
Retained earnings	6,449,643	4,394,745
Total Liabilities & Shareholders' Equity	$ 16,760,748	$ 11,082,026

* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	16.81	18.04
%Net Income to Sales	10.92	10.47
%Net Income to Equity	14.73	19.67
Working Capital	$ 11,781,157	$ 6,165,778
Current Ratio	8.12	3.26
Shareholders' Equity	$ 14,040,373	$ 7,464,163

Computer Sciences Corporation

650 North Sepulveda Boulevard
El Segundo, California 90245
(213) 615-0311

Officers: William R. Hoover, president; E. Clyde Anderson, v.p., pres. information network group; George Barratt, v.p.-finance & treasurer; Albert Gluckson, v.p., & secretary; Vincent R. Grillo Jr., v.p.-program development; Alvin E. Nashman, v.p., pres.-systems group; Roy Nutt, v.p.; Harry A. Southron, controller.

Directors: William R. Hoover, chairman; George Barratt, Robert H. Bolman, Felix A. Kalinski, Alvin E. Nashman, Roy Nutt, Isaac C. Kidd Jr.

Areas of Work: The Company provides a variety of technical services on a contractual and proprietary basis. Services related to the planning, design, engineering, development, implementation and operation of computer systems and computer-related communications systems are classified as contract services. The Company also operates a proprietary international remote data processing service called INFONET, together with other proprietary data processing services.

Principal Operating Units:

Systems Group
6565 Arlington Boulevard
Falls Church, Virginia 22046

Applied Technology Division
Falls Church, Virginia 22046

Defense Systems Division
Moorestown, New Jersey

Energy Research Division
Falls Church, Virginia 22046

System Sciences Division
Silver Springs, Maryland

Systems Division
Falls Church, Virginia

Systems International Division
Vienna, Virginia

Commercial Division
220 Continental Boulevard
El Segundo, California 90245

Information Network Group (INFONET)
650 North Sepulveda Boulevard
El Segundo, California 90245

Business Services Division
Los Angeles, California

Computer Science Canada, Inc.
Montreal, Quebec, Canada

Computer Sciences Europe, S.A.
Brussels, Belgium

PAID Prescriptions Inc.
Paramus, New Jersey

Affiliates:

Computer Sciences of Australia Pty. Ltd.
460 Pacific Highway, St. Leonards
Sydney, New South Wales 2065
Australia

Computer Sciences (Pty.) Ltd.
Juta & Station Streets, Braamfontein
Johannesburg, South Africa

Transfer Agent(s):

Bank of America, N.T. & S.A.
Corporate Agency Service Center
55 Hawthorne Street
San Francisco, California 94105

Stock Exchange(s): New York, Pacific

Ticker Symbol: CSC

Number of Employees:

1960 15,000

Sales and Earnings

	Revenues	Net Income
1980	$452,634,000	$ 22,698,000
1979	343,202,000	14,198,000
1978	277,168,000	14,016,000
1977	234,745,000	14,635,000
1976	219,910,000	7,233,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	13,384,847	$1.70
1979	13,252,939	1.07
1978	13,946,912	1.00
1977	14,502,443	1.01
1976	14,275,209	0.51

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1980	1979
Contract Services operations	$ 329,649,000	$ 250,713,000
Data Services operations	122,985,000	92,489,000
Total	$ 452,634,000	$ 343,202,000

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 75,330,000	$5.63
1979	52,048,000	3.93
1978	37,552,000	2.69
1977	35,293,000	2.43
1976	20,546,000	1.44

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended	3/28/80	3/30/79
Revenues	$ 458,358	$ 343,202
Cost of services	351,550	272,784
Overhead	37,381	21,317
Depreciation & amortization	14,142	10,921
Interest expense	4,793	3,953
Expenses	7,258	5,867
Income before taxes	$ 43,234	$ 28,360
Income taxes	20,536	14,162
Net Income	$ 22,698	$ 14,198

Assets
(000's)

As of	3/28/80	3/30/79
Cash	$ 3,288	$ 4,666
Short-term invest.	52,254	38,449
Receivables	117,614	91,835
Prepaid expenses & other assets	4,113	3,568
Current Assets	$ 177,269	$ 138,518
Investments	2,474	1,891
# Fixed Assets	62,785	55,306
Intangibles	17,689	7,722
Total Assets	$ 260,217	$ 203,437

Liabilities
(000's)

Long-term debt., curr.	$ 4,518	$ 2,978
Accts. payable	13,440	9,079
Accruals	15,791	16,159
Accrued payroll	31,486	24,233
Advance contract payments	37,078	25,114
Income taxes	21,807	11,804
Curr. Liabilities	$ 124,120	$ 89,367
Long-term debt	13,661	12,464
6% sub. conv. deben.	47,106	49,558
+ Common stock	14,628	14,504
Add. paid-in capital	10,401	9,993
Retained earnings	61,824	39,126
Treasury stock	(11,523)	(11,575)
Total Liabilities & Shareholders' Equity	$ 260,217	$ 203,437

# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.43	8.26
%Net Income to Sales	4.95	4.14
%Net Income to Equity	30.13	27.28
Working Capital	$ 53,149,000	$ 49,151,000
Current Ratio	1.43	1.55
Shareholders' Equity	$ 75,330,000	$ 52,048,000

Computer Specialties Corporation

544 Tenth Street
Palisades Park, New Jersey 07650
(201) 947-0500

Officers: Edward Silver, president & treasurer; Lawrence Peskin, secretary.

Directors: Philip B. Brooks, Gerald Epner, Lawrence Peskin, Edward Silver.

Areas of Work: Involved in the manufacture and sale of micrographic equipment. Its products include PEPCO MFC Automatic Microfiche Cutter and a new products for the mirographic field, the PEPCO MFI Microfiche Inspector. The original model of the Microfiche Inspector, Type R, is used to inspect microfiche in roll form. An additional model has recently been introduced, Type C, and is used to inspect "cut" microfiche or fiche. An affiliate, Digital Solutions, Inc., is marketing two proprietary software systems. The first has to do with correcting, writing and improving computer programs, or "debugging". The second provides accounting and job-cost information to the construction industry.

Transfer Agent(s):

Continental Stock Transfer Company

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	7	1978	6
1979	7	1977	6

Plant Footage:

1980	3,750 sq. ft.	1978	3,750
1979	3,750	1977	3,750

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 309,763	$ 64,585
1979	265,085	46,603
1978	222,733	36,367
1977	206,053	33,498
1976	199,048	30,525

	No. of Com. Shares	Earn. per Share ‡†
1980	292,760	$0.22
1979	292,760	0.16
1978	292,760	0.12
1977	292,760	0.11
1976	292,760	0.10

‡ Including extraordinary gains of $2,103 ($0.01 per share) in 1980 $7,415 ($0.03 per share) in 1979, $6,186 ($0.02 per share) in 1978, $5,593 ($0.02 per share) in 1977 and $6,216 ($0.02 per share) in 1976.

† Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 443,660	$1.52
1979	379,075	1.29
1978	332,472	1.14
1977	296,105	1.01
1976	262,607	0.90

Income Account *

Year ended June 30	180	1979
Net sales	$ 309,763	$ 265,085
Cost of sales	145,236	142,764
Expenses	115,224	89,355
Oper. loss	$ 49,303	$ 32,966
Other income	29,319	17,012
Income before taxes	$ 78,622	$ 49,978
Income taxes	16,140	10,790
Net Income	$ 62,482	$ 39,188
Extraord. gain	2,103	7,415
Net Income & extraord. gain	$ 64,585	$ 46,603

* Included in Costs and Expenses, Depreciation and Amortization: $4,988 in 1980 and $4,155 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 9,092	$ 8,204
Marketable securities	271,043	230,397
Accts. receiv., net	46,660	42,438
*Inventories	92,657	92,228
Prepaid expenses & other receiv.	2,446	487
Current Assets	$ 421,898	$ 373,754
#Fixed assets	29,394	14,468
Other assets	12,149	12,149
Total Assets	$ 463,441	$ 400,371

Liabilities

Accts. payable	$ 11,156	$ 12,005
Accruals	8,625	9,291
Curr. Liabilities	$ 19,781	$ 21,296
+ Common stock	29,276	29,276
Add. paid-in capital	818,138	818,138
Retained earnings (deficit)	(403,754)	(468,339)
Total Liabilities & Shareholders' Equity	$ 463,441	$ 400,371

* At lower of cost (FIFO) or net realizable value.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	25.38	18.85
%Net Income to Sales	20.17	14.78
%Net Income to Equity	14.08	10.34
Sales to Inventories	3.34	2.87
Working Capital	$ 402,117	$ 352,458
Current Ratio	21.33	17.55
Shareholders' Equity	$ 443,660	$ 379,075

Computer Terminal Systems, Inc.

65 South Service Road
Plainview, New York 11803
(516) 293-6611

Officers: Gerald Schoenberg, president & asst. secretary; Edward Mermelstein, v.p. & treasurer; Kennth Sonnenberg, secretary & asst. treasurer.

Directors: Edward Mermelstein, Kenneth Sonnenberg, Gerald Schoenberg.

Areas of Work: Manufactures computer peripheral equipment, digital printers and industrial controls.

Transfer Agent(s):

Computer Terminal Systems, Inc.
Plainview, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CTML (NASDAQ)

Number of Employees:

1980	55	1977	30
1979	50	1976	30
1978	50		

Plant Footage:

1980	15,000 sq. ft.	1977	6,800
1979	12,000	1976	6,800
1978	12,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 3,678,890	$ 347,592
1979	3,771,215	372,604
1978	1,964,214	90,468
1977	873,901	(33,654)
1976	1,327,414	113,687

	No. of Com. Shares	Earn. per Share ‡
1980	642,417	$0.54
1979	642,417	0.58
1978	642,417	0.14
1977	642,417	—
1976	642,417	0.18

(Loss)

‡ Including extraordinary credits $6,000 ($0.01 per share) in 1978 and $47,800 ($0.08 per share) in 1976.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,498,264	$2.33
1979	1,150,672	1.79
1978	778,068	1.21
1977	687,600	1.07
1976	721,254	1.12

Income Account *

Year ended April 30	1980	1979
Net sales	$ 3,678,890	$ 3,771,215
Cost of sales	2,458,145	2,666,149
Expenses	601,832	450,316
Other income	(20,179)	(17,854)
Income before taxes	$ 639,092	$ 672,604
Income taxes	291,500	300,000
Net Income	$ 347,592	$ 372,604

* Included in Costs and Expenses, Depreciation and Amortization: $28,412 in 1980 and $31,106 in 1979.

Assets

As of April 30	1980	1979
Cash	$ 233,191	$ 294,858
Accts. receiv., net	597,940	653,381
*Inventories	901,116	591,210
Prepaid expenses	14,377	12,915
Invest. in lease, curr.	5,934	—
Deferred income tax benefit	9,800	—
Current Assets	$ 1,762,358	$ 1,552,364
#Fixed assets	92,401	9[illegible],132
Net investment in lease	39,650	—
Other assets	6,452	12,284
Total Assets	$ 1,900,861	$ 1,658,780

Liabilities

Accts. payable	$ 281,444	$ 159,831
Accruals & other liabilities	102,463	109,932
Income taxes	12,390	238,345
Curr. Liabilities	$ 396,297	$ 508,108
Deferred income taxes	6,300	—
+ Common stock	64,242	64,242
Add. paid-in capital	639,768	639,768
Retained earnigs	794,254	446,662
Total Liabilities & Shareholders' Equity	$ 1,900,861	$ 1,658,780

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	17.37	17.84
%Net Income to Sales	9.45	9.88
%Net Income to Equity	23.20	32.38
Sales to Inventories	4.08	6.38
Working Capital	$ 1,366,061	$ 1,044,256
Current Ratio	4.45	3.06
Shareholders' Equity	$ 1,498,264	$ 1,150,672

Computervision Corporation

201 Burlington Road
Bedford, Massachusetts 01730
(617) 275-1800

Officers: Martin Allen, president and chief executive officer; Lon F. Bonczek, Jr., v.p.-human resources; Paul P. Brountas, secretary and counsel; Robert Calloway, v.p., general manager-operations division; Karl H. Geng, v.p., managing director-operations division; Karl H. Geng, v.p., managing director-Europe division; Robert P. Gothie, v.p., general manager-treasurer; Richard F. Merian, v.p., general manaer-Cobilt division; Philip L. Read, sr. v.p. and chief operating officer; James W. Spindler, asst. secretary, corporate counsel.

Computervision Corporation

Directors: Martin Allen, Boruch B. Frusztajer, Robert L. Gable, Herbert Roth, Jr., Robert C. Wilson.

Areas of Work: Engaged primarily in the design, development, manufacture and marketing of computer-controlled systems which automate critical phases of the product cycle, including concept development, detailed design drafting, and production. These systems, which include both hardware and software, enable customers to automate certan repetitive design and manufacturing processes which generally are performed manually with conventional equipment. The Company's products are used in the design and preparation of graphical data in wide spectrum of industries, including the automotive, aerospace, communication, electronics, and mapping industries, and in automated production and testing in the electronics and semiconductor industries.

Divisions and Subsidiaries:

Productivity Systems Division
Cobilt Division

Computervision B.V.
Amsterdam, Holland

Computervision Northern Europe AB
Stockholm, Sweden

Computervision S.A.
Paris, France

Computervision GmbH
Frankfurt, West Germany

Computervision International Corporation
Bedford, Massachusetts 01730

Computervision, S.r.l.
Milan, Italy

Computervision, Limited
Blunham, England

Computervision, N.V.
Brussels, Belgium

Computervision do Brasil
Industria E Commercio Limitada, Brazil

Computervision Asia, Ltd.
Japan

Computervision A/S
Norway

Computervision de Espana, S.A.
Spain

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): New York

Ticker Symbol: CVN

Number of Employees:

1980	3,530	1977	1,032
1979	2,560	1976	817
1978	1,530		

Plant Footage:

1980	1,070,000 sq. ft.	1977	223,000
1979	606,000	1976	198,000
1978	350,000		

Sales and Earnings

	Net Sales	Net Income +
1980	$224,207,000	$ 23,321,000
1979	131,550,000	12,960,000
1978	71,601,000	5,212,000
1977	46,381,000	2,741,000
1976	33,555,000	1,729,000

	No. of Com. Shares †	Earn. per Share ‡ +
1980	13,382,810	$1.80
1979	12,067,604	1.05
1978	11,727,096	0.52
1977	9,462,688	0.28
1976	9,336,248	0.11

† Adjusted to reflect stock splits.
‡ Based on the weighted average number of common shares outstanding, including shares issuable under stock options adjusted to reflect stock splits.
+ Including extraordinary credit of $659,000 ($0.07 per share) in 1976.

Revenues By Line of Business

	1980	1979
CAD/CAM systems & products	$191,086,000	$103,004,000
Semiconductor production automation prods.	33,121,000	28,546,000
Total	$224,207,000	$131,550,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	2-for-1
1979	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$108,480,000	$8.11
1979	40,659,000	3.37
1978	26,447,000	2.26
1977	11,018,000	1.16
1976	8,119,000	0.87

‡ Adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$224,207,000	$131,550,000
Cost of sales	99,315,000	61,854,000
Expenses	84,003,000	45,176,000
Interest expense	2,964,000	1,148,000
Interest income	(1,296,000)	(188,000)
Income before taxes	$ 39,221,000	$ 23,560,000
Income taxes	15,900,000	10,600,000
Net Income	$ 23,321,000	$ 12,960,000

* Included in Costs and Expenses, Depreciation and Amortization: $7,544,000 in 1980 and $3,832,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 756,000	$ 4,442,000
Investments	29,788,000	293,000
Accts. receiv., net	36,843,000	27,218,000
* Inventories	39,279,000	23,384,000
Prepaid expenses	3,899,000	2,817,000
Current Assets	$110,565,000	$ 58,154,000
# Fixed assets	52,368,000	27,348,000
Other assets	4,546,000	1,374,000
Total Assets	$167,479,000	$ 86,876,000

Liabilities

Notes payable, long-term debt & cap. lease oblig., curr.	$ 2,990,000	$ 453,000
Accts.payable	14,022,000	10,477,000
Advance payments	3,276,000	1,941,000
Accruals	13,593,000	9,474,000
Accrued income taxes payable	5,148,000	7,701,000
Curr. Liabilities	$ 39,029,000	$ 30,046,000
Long-term debt	9,256,000	7,706,000
Cap. lease oblig.	10,265,000	8,228,000
Deferred income taxes & credits	449,000	237,000
+ Common stock	669,000	603,000
Add. paid-in capital	62,856,000	18,422,000
Retained earnings	44,955,000	21,634,000
Total Liabilities & Shareholders' Equity	$167,479,000	$ 86,876,000

* At lower of cost (FIFO or amortized cost) or market.
# Less accumulated depreciation.
+ $0.05 par value.

Statistical Summary

%Income bef. Taxes to Sales	17.49	17.91
%Net Income to Sales	10.40	9.85
%Net Income to Equity	21.50	31.87
Sales to Inventories	5.71	5.63
Working Capital	$ 71,536,000	$ 28,108,000
Current Ratio	2.83	1.94
Shareholders' Equity	$108,480,000	$ 40,659,000

Comtech Telecommunications Corp.

45 Oser Avenue
Hauppauge, New York 11788
(516) 231-5454

Officers: F. Kornberg, president & chief executive officer; M.L. Deever, G. Birutis, v.p.'s; B.A. Nathan, secretary.

Directors: F. Kornberg, chairman; B. Adler, G. Burgliarello, F. Marx, S.S. Weiner.

Areas of Work: Designs and markets fully integrated communication terminals, including antennas; receiving and transmitting systems for satellite communication earth stations and for microwave and troposcatter communications using FM, video, voice and digital data signals; high power and low noise amplifiers for communication, radar and ECM applications; communication system test equipment; digital communication systems; SCPC equipment; digital modems, coders, decoders, signal processing and switching equipment; CATV earth station.

Divisions and Subsidiaries:

Comtech International, Inc.
Smithtown, New York

Comtech Data Corporation
Tempe, Arizona

Comtech Antenna Corp.
St. Cloud, Florida

Comtech Laboratories
Smithtown, New York

Transfer Agent(s):

Chemical Bank
55 Water Street
New York, New York 10041

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CMTL (NASDAQ)

Number of Employees:

1980	610	1978	450
1979	610	1977	328

Plant Footage:

1980	261,000 sq. ft.	1978	226,000
1979	261,000	1977	214,000

Sales and Earnings

	Net Sales	Net Income
1980	$ 25,920,360	$ (10,669,546)
1979	32,465,184	940,656
1978	27,788,367	1,144,891
1977	19,042,473	780,037
1976	25,492,915	2,492,548

	No. of Com. Shares †	Earn. per Share ‡
1980	3,492,946	$ —
1979	3,478,746	0.26
1978	3,460,746	0.32
1977	3,457,406	0.22
1976	3,432,606	0.73

(Loss)
† Adjusted to reflect stock dividend.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	100%	—

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 1,241,651	$0.36
1979	11,770,523	3.38
1978	10,700,367	3.09
1977	9,505,273	2.75
1976	8,664,746	2.52

† Adjusted to reflect stock dividend.

Income Account *

Year ended July 31	1980	1979
Net sales	$ 25,920,360	$ 32,465,184
Cost of sales	33,893,932	26,413,927
Expenses	5,325,731	3,265,899
Depreciation & amortization	778,611	653,565
Interest expense	1,522,696	491,137
Income (loss) before taxes	$ (15,600,610)	$ 1,640,656
Income taxes (credit)	(4,931,064)	700,000
Net Income (Loss)	$ (10,669,546)	$ 940,656

Assets

As of July 31	1980	1979
Cash	$ 1,846,616	$ 230,349
Accts. receiv., net	8,919,939	10,357,880
Income taxes receivable	1,110,191	1,821,000
* Inventories	5,088,863	6,621,653
Other curr. assets	426,712	257,670
Current Assets	$ 17,392,321	$ 19,288,552
# Fixed assets	7,789,297	7,793,743
Receivable	1,487,783	3,223,038
Other assets	405,323	52,153
Total Assets	$ 27,074,724	$ 30,357,486

Liabilities

Notes payable	$ 30,000	$ 6,150,000
Mortgage notes curr.	1,074,360	523,000
Accts. payable	4,167,219	2,157,005
Accruals & taxes withheld	1,963,643	1,590,218
Deferred income taxes	—	129,000
Adv. contract pay receiv.	972,432	1,251,691
Est. loss on contracts	5,566,000	—
Curr. Liabilities	$ 13,773,654	$ 11,800,914
Mortgage notes	12,059,419	2,283,985
Deferred inc. taxes	—	4,502,064
+ Common stock	349,295	347,874
Add. paid-in capital	2,946,949	2,807,696
Retained earnings (deficit)	(2,054,593)	8,614,953
Total Liabilities & Shareholders' Equity	$ 27,074,724	$ 30,357,486

* At cost (FIFO) which is not in excess of market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	5.05
%Net Income to Sales	—	2.90
%Net Income to Equity	—	7.99
Sales to Inventories	5.09	4.90
Working Capital	$ 3,618,667	$ 7,487,638
Current Ratio	1.26	1.63
Shareholders' Equity	$ 1,241,651	$ 11,770,523

Comtel Corporation

21223 Hilltop Street
P.O. Box 5034
Southfield, Michigan 48037
(313) 358-2510

Officers: Edward J. Colosimo, president & treasurer; Harry Crows, v.p.; Bruce E. Kaitner, secretary & asst. treasurer.

Directors: Edward J. Colosimo, Harry Crows, Paul W. Broome, Louis P. Ferris, Jr., Lloyd A. Semple.

Areas of Work: Serves as a representative and distributor for manufacturers of electronic test and measurement instruments and accessories, and as a stocking distributor for some manufacturers of computer devices, data acquisition systems, electronic test and measurement instruments. Service division provides certification, calibration, and repair of a wide range of equipment used by numerous types of industries.

Divisions and Subsidiaries:

Comtel Systems Corp.
Cleveland, Ohio

Comtel Instruments Co.
5827 Mayfield Road
Cleveland, Ohio 44124
(216) 442-8080

Serves as a sales representative and/or distributor for many maufacturers of electronic instruments, transducers, computer devices, and environmental test equipment.

Comtel Standards Laboratory Co.
21223 Hilltop
Box 5034
Southfield, Michigan 48037
(313) 358-2500

Electronic instrument repair, calibration and certification, traceable to the National Bureau of Standards.

Comtel-NAL Corp.
2201 North Hollywood Way
Burbank, California 91504
(213) 849-6701

Laboratory that provides measurement accuracy traceable to the National Bureauof Standards to industry and governmental agencies in southern California. Also provides biomedical and automotive electronic repairs.

Comtel Midwest
3535 West Peterson Avenue
Chicago, Illinois 60659
(312) 539-4838

Serves as a sales representative and/or distributor for many manufacturers of electronic instruments, transducers, computer devices and environmental test equipment.

Transfer Agent(s):

The Detroit Bank and Trust Company
211 West Fort Street
Detroit, Michigan 48231

Stock Exchange(s): Over-the-Counter

Ticker Symbol: COML (NASDAQ)

Number of Employees:

1980	163	1977	161
1979	165	1976	156
1978	173		

Plant Footage:

1980	46,300 sq. ft.	1977	40,477
1979	46,300	1976	36,477
1978	41,500		

Sales and Earnings

	Revenues ‡	Net Income
1980	$ 10,728,000	$ 424,000
1979	9,525,000	496,000
1978	8,590,000	686,000
1977	6,593,000	140,000
1976	5,331,000	275,000

	No. of Com. Shares #	Earn. per Share #
1980	181,597	$2.33
1979	182,472	2.72
1978	182,472	3.76
1977	216,709	0.65
1976	411,616	0.67

‡ Includes sales, technical services, commission income, and income on equipment leases. Of continuing operations only.
# Based on average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.36	—	—
1979	0.36	—	—
1978	0.30	—	—
1977	0.28	—	—
1976	0.13	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 3,014,849	$16.60
1979	2,681,897	14.70
1978	2,251,812	12.34
1977	1,620,429	7.48
1976	1,962,911	4.77

‡ Based on average number of shares outstanding.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 8,062,982	$ 6,673,957
Other income	2,665,016	2,851,361
Revenues	$ 10,727,998	$ 9,525,318
Cost of sales	6,031,967	4,977,561
Expenses	3,906,845	3,702,753
Interest expense	74,976	99,529
Gain on sale	(5,789)	(53,900)
Income before taxes	$ 719,999	$ 799,375
Income taxes	296,100	303,600
Net Income	$ 423,899	$ 495,775

* Included in Costs and Expenses, Depreciation and Amortization: $143,158 in 1980 and $123,348 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 100,352	$ 40,777
Receiv. net	2,242,446	2,190,705
* Inventories	1,164,604	898,251
Prepaid expenses	93,262	129,126
Current Assets	$ 3,600,664	$ 3,258,859
# Fixed assets	982,099	762,378
Other assets	460,203	509,015
Total Assets	$ 5,042,966	$ 4,530,252

Liabilities

Notes payable	$ —	$ 142,000
Long-term debt, curr.	68,240	263,042
Accts. payable	1,010,054	330,886
Accruals	491,455	537,543
Income taxes	321,258	283,558
Curr. Liabilities	$ 1,891,007	$ 1,557,029
Long-term debt	89,365	291,326
Deferred comp.	47,745	—
+ Common stock	1,802	1,825
Add. paid-in capital	649,382	675,022
Retained earnings	2,363,665	2,005,050
Total Liabilities & Shareholders' Equity	$ 5,042,966	$ 4,530,252

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Revenues	6.71	8.39

%Net Income to Revenues	3.95	5.20
%Net Income to Equity	14.06	18.49
Working Capital	$ 1,709,657	$ 1,701,830
Current Ratio	1.90	2.09
Shareholders' Equity	$ 3,014,849	$ 2,681,897

Condec Corporation

1700 East Putnam Avenue
Old Greenwich, Connecticut
(203) 637-4511

Officers: Norman Schafler, chairman of the board & chief exec. officer; Gerald Rosenberg, president; Joseph F. Engleberger, Morris R. Beschloss, Roy T. Ellegard, R. Scott Schafler, vice president; Dan J. Cuddy, vice president-finance; William W. Kurz, vice president-administration; Herbert Gladstone, vice president & treasurer; Charles H. Rodgers, v.p. & secretary; Irving Slifkin, general counsel; Kenneth Greenbaum, Mona L. Millen, asst. secretaries.

Directors: Milton S. Cohn, Jerome I. Davis, Joseph F. Engelberger, Gerald Rosenberg, Norman Schafler, Harold Lewis, Morris R. Beschloss, Homer N. Chapin, Mitchel Flaum.

Divisions and Subsidiaries:

Consolidated Controls Corporation
15 Durant Avenue
Bethel, Connecticut 06801
(203) 743-6721

Pressure and temperature controls for commercial and military aircraft and aerospace industry; control systems and components for nuclear power stations and nuclear ships; and industrial instrumentation and controls; Products include pressure switches, transducers, sensing devices, operator consoles and control panels, and digital indicators and data-loggers.

Consolidated Controls Corporation
2338 Alaska Avenue
El Segundo, California 90245
(213) 772-5301

Hydraulic and electro-mechanical controls for commercial aircraft, naval and aerospace industries. Products include special hydraulic, pneumatic and cryogenicsolenoid, servo, flow control and regulator valves, electro-activators, accummulators and systems.

ConDiesel Mobile Equipment
Boston Post Road
Old Greenwich, Connecticut 06870
(203) 637-4341

Specialized vehicles and power generating equipment for the government.

Consolidated Energy Products Company
Box 1215
Wilmington, North Carolina 28401
(919) 743-6721

Flow Control Group
845 No. Michigan
Chicago, Illinois 60611
(312) 944-5500

Valves and gauges; bronze and iron foundries and valve machining facilities.

Conval International Limited
875 No. Michigan Avenue
Chicago, Illinois 60611
(312) 944-5500
Conflo Manufacturing Inc.
275 Main Street
Wadsworth, Ohio 44281
(216) 344-1531

The Lunkenheimer Company
Box 14360
Cincinnati, Ohio 45214
(513) 921-3400

Lunkenheimer Canada Limited
125 Tycos Drive
Toronto, M6B 1W6, Canada
(416) 787-1675

Hammond Valve Corporation
1844 Summer Street
Hammond, Indiana 46320
(219) 932-3200

Quartrol Corporation
Box 11564
Birmingham, Alabama 35202
(205) 595-0510

The Lima Electric Co., Inc.
200 East Chapman Road
Lima, Ohio 45802
(419) 227-7327

Electric generators, integral horsepower electric motors and selective speed drives.

NRM Corporation
3200 Gilcrest Road
P.O. Box 6338
Akron, Ohio 44312
(216) 633-1600

Production machinery for the plastics corporation; production equipment for conventional and radial tires.

NRM-Tire Machinery
Box 25
Columbiana, Ohio 44408

NRM Process Systems
180 South Avenue
Tallmadge, Ohio 44278
(216) 633-1600

Plastic and rubber extruders; ancillary equipment.

Unimation, Inc.
Shelter Rock Road
Danbury, Connecticut 06810
(203) 744-1800

Industrial robots.

ConDiesel Power Inc.
1700 Post Road
Old Greenwich, Connecticut 06870
(203) 637-4341

Diesel electric generator sets.

Stallion Oilfield Equipment
Leetonia, Ohio
Massillon, Ohio 44646
(216) 833-2896

Transfer Agent(s):

Manufacturers Hanover Trust Company
(common stock)
Four New York Plaza
New York, New York 10015

Stock Exchange(s): American

Ticker Symbol: CDT

Number of Employees:

1980	4,700	1977	4,900
1979	4,600	1976	4,800
1978	4,600		

Plant Footage:

1980	2,800,000 sq.ft.	1977	3,300,000
1979	2,100,000	1976	3,200,000
1978	3,300,000		

Sales and Earnings

	Net Sales #	Net Income ‡
1980	$275,044,000	$ 2,641,000
1979	249,260,000	634,000
1978	231,659,000	6,555,000
1977	223,239,000	10,764,000
1976	230,266,000	7,716,000

	No. of Comm. Shares †	Earn. per. Share ‡†
1980	3,279,561	$0.70
1979	2,998,687	0.09
1978	2,735,187	2.26
1977	2,594,573	3.99
1976	2,537,353	2.66

‡ Including extraordinary gains $2,437,000 ($0.94 per share) in 1977.

# Includes other income.

† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1980	1979
Flow control	$ 94,514,000	$ 90,690,000
Industrial machinery equipment	107,212,000	90,161,000
Government	44,550,000	51,020,000
Other	28,768,000	17,389,000
Total	$275,044,000	$249,260,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	3%	—
1979	—	3%	—
1978	—	3%	—

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1980	$ 73,037,000	$22.27
1979	67,995,000	22.67
1978	67,379,000	24.63
1977	59,460,000	22.92
1976	48,426,000	19.09

‡ After allowing for preferred stock at par values.

† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *
(000's)

Year ended July 31	1980	1979
Net sales & other income	$ 275,044	$ 249,260
Cost of sales	202,842	178,829
Expenses	57,171	54,275
Oper. profit	$ 15,031	$ 16,156
Interest expense	11,148	8,131
Unusual items	(386)	7,700
Income before taxes	$ 4,269	$ 325
Income taxes (credit)	1,628	(309)
Net Income	$ 2,641	$ 634

*Including in Costs and Expenses, Depreciation: $4,677,000 in 1980 and $4,237,000 in 1979.

Assets
(000's)

As of July 31	1980	1979
Cash	$ 3,132	$ 2,600
Accts. receiv., net	53,260	43,169
*Inventories	96,231	83,432
Prepaid expenses	1,828	1,834
Current Assets	$ 154,451	$ 131,035
Other assets	7,038	6,695
# Fixed assets	45,365	39,016
Intangibles	40,936	40,938
Cash restricted	2,256	5,031
Total Assets	$ 250,046	$ 222,175

Liabilities
(000's)

Notes payable	$ 377	$ 14,521
Long-term debt, curr.	3,464	3,412
Accounts payable & accruals	51,232	41,915
Income taxes	4,609	5,158

Curr. Liabilities	$ 59,682	$ 65,006
Long-term debt	94,661	68,762
Other liabilities	4,651	7,329
Minority interest	5,961	5,775
Deferred inc. taxes	2,932	1,735
Liab. of facil. sold	3,433	—
Redeemable pref. stock:		
+ 6% stock	412	487
+ + 7% stock	2,743	2,866
Non-redeem. pref. stock:		
+ Series A 6%	1,899	1,899
+ + 10% convert.	635	861
+ + + Common stock	320	282
Add. paid-in capital	29,487	25,745
Retained earnings	43,230	41,968
Total Liabilities & Shareholders' Equity	$ 250,046	$ 222,715

*At lower of average cost (FIFO) or realizable market.
Less accumulated depreciation.
+ $10 par value.
+ + $25 par value.
+ + + $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.55	0.13
%Net Income to Sales	0.96	0.25
%Net Income to Equity	3.49	0.90
Sales to Inventories	2.86	2.99
Working Capital	$ 94,769,000	$ 66,029,000
Current Ratio Equity	2.59	2.02
Shareholders' Equity	$ 75,751,000	$ 70,755,000

Conrac Corporation

Three Landmark Square
Stamford, Connecticut 06901
(203) 348-2100

Officers: Donald H. Putnam, president; Benjamin Barth, Thomas J. Harriman, Aldrich P. Balucek, Paul E. Graf, Clyde W. Kaericher, Lawrence M. Ryan, vice presidents; Jeffrey A. Leyton, secretary & corp. counsel; Walter J. Joyce, controller.

Directors: Walter Burke, Daniel T. Carroll, John C. Lowe, Donald H. Putnam, William Elfers, Charles Oechler, Ken E. Mathysen-Gerst, Arthur H. Thornhill Jr., Frederick S. Wonham.

Divisions and Subsidiaries:

Controls Group:

Systems-West Division
1600 S. Mountain Avenue
Duarte, California 91010
(213) 359-9141

Products include aerospace transducers, mil-spec video displays, aircraft control systems, airport passenger information systems.

Systems-East Division
32 Fairfield Place
Fairfield, New Jersey 07006
(201) 575-8000

Products include air data compters, flight recorders, digital data acquisition systems, video projection equipment.

Cramer Division
Mill Rock Road
Old Saybrook, Connecticut 06475
(203) 388-3574

Manufactures timers and counters, instrument motors.

Industrial Group:

Goodrich Division
3560 Chicago Division
Hudsonville, Michigan 49426
(616) 669-1000

Automatic welding equipment, resistance welding transformers.

Machine Tool Division
9200 Bolsa Avenue
Westminster, California 92683
(714) 894-4711

Automated tube benders and finishers, structural beam welders, pressing and staking tools.

Rixson-Firemark Division, Inc.
9100 West Belmont Avenue
Franklin Park, Illinois 60131
(312) 671-5670

Smoke-operated door closers, concealed and overhead closers, external and internal door pivots, fire and intrusion protection products.

Information Group:

Alston Division
1724 S. Mountain Avenue
Duarte, California 91010
(213) 357-2121

Manufactures telephone traffic monitoring equipment, telephone service observing equipment and telephone test equipment.

Conrac Division
600 N. Rimsdale Avenue
Covina, California 91722
(213) 966-3511

Computer terminals, video monitors, alphanumeric CRT displays.

Conrac Elektron GmbH (Subsidiary)
Weikersheim, Germany

Electronic teaching products, computer peripheral equipment, large audience information displays.

Transfer Agent(s):

Chemical Bank
20 Pine Street
New York, New York 10005

Stock Exchange(s): New York, Pacific

Ticker Symbol: CAX

Number of Employees:

1980	2,514	1977	2,662
1979	2,956	1976	2,602
1978	2,768		

Plant Footage:

1980	802,000 sq. ft.	1977	1,000,000
1979	802,000	1976	1,000,000
1978	937,000		

Sales and Earnings

	Net Sales †	Net Income
1980	$ 146,821,000	$ 4,673,000
1979	137,169,000	1,239,000
1978	117,910,000	1,660,000
1977	111,322,000	6,490,000
1976	89,984,000	5,284,000

	No. of Comm. Shares +	Earn. per Share + #
1980	2,130,000	$2.05
1979	2,059,000	0.42
1978	2,052,000	0.63
1977	2,022,000	3.07
1976	1,968,000	2.53

† Of continuing operations only.
+ Adjusted to reflect stock split and stock dividends.
# Based on the average number of common shares outstanding assuming no dilution.

Revenues By Line of Business

	1980	1979
Aerospace	$ 36,035,000	$ 31,705,000
Telecommunications	19,403,000	22,033,000
Data handling & display comm.	64,986,000	59,659,000
Other	26,397,000	23,772,000
Total	$ 146,821,000	$ 137,169,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.80	—	—
1979	0.80	—	—
1978	0.78	10%	—
1977	0.69	—	5-for-4
1976	0.52	10%	—

+ Adjusted to reflect stock split and stock dividend.

Common Stock Equity

	Total Equity ‡	Equity Per Share +
1980	$ 36,629,000	$17.19
1979	32,905,000	15.98
1978	33,566,000	16.35

‡ After allowing for preferred stock, Series A and Series B at liquidation value of $50 per share.
+ Adjusted to reflect stock split and stock dividends.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 146,821	$ 137,169
Cost of sales	118,033	109,825
Expenses	14,840	14,489
Interest expense (income)	(5,197)	4,354
Other income	—	(438)
Income before taxes	$ 8,751	$ 8,939
Income taxes	4,078	4,139
Income from. cont. operations	$ 4,673	$ 4,800
Loss from discont. oper.	—	(3,561)
Net Income	$ 4,673	$ 1,239

*Included in Costs and Expenses, Depreciation and Amortization: $2,742,000 in 1980 and $2,547,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 2,803	$ 3,354
Accts. receiv., net	24,711	28,268
*Inventories	45,052	42,322
Prepaid expenses	1,206	1,032
Current Assets	$ 73,772	$ 74,976
# Fixed assets	15,182	14,725
Other assets & intangibles	9,459	9,770
Total Assets	$ 98,413	$ 99,471

Liabilities
(000's)

Notes payable	$ 8,700	$ 8,870
Long-term debt, current	2,761	1,646
Accts. payable	7,603	10,685
Accrued payroll	2,169	2,367
Income taxes	2,560	1,082
Other liabilities	6,876	6,767
Curr. Liabilities	$ 30,669	$ 31,417
Long-term debt	21,893	26,051
Deferred inc. taxes	1,006	649
Preferred stock:		
+ Series A	250	250
+ Series B	166	166
+ + Series C	4,058	4,291
+ + + Common stock	1,994	1,959
Add. paid-in capital	11,518	10,452
Retained earnings	26,859	24,236
Total Liabilities & Shareholders' Equity	$ 98,413	$ 99,471

Conrac Corporation

*At lower of average cost or market.
# Less accumulated depreciation & amortization.
+ $5 par value; $2 cumulative convertible.
+ + $5 par value, $1.50 cumulative convertible.
+ + + $0.50 par value.

Statistical Summary

%Net Income to Sales	3.18	—
%Net Income to Equity	11.46	3.34
Sales to Inventories	3.26	3.24
Working Capital	$ 43,103,000	$ 43,559,000
Current Ratio	2.41	2.39
Shareholders' Equity	$ 40,787,000	$ 37,063,000

Continental Telephone Corporation

56 Perimeter Center East
Atlanta, Georgia 30346
(404) 391-8000

Officers: Charles Wohlstetter, chairman of the board & chief executive officer; James V. Napier, president & chief operating officer; Robert E. LaBlane, vice chairman of the board; Robert C. Abrams, v.p.-Western Region; Robert F. Benton, v.p.-telecommunications services; Vernon R. Chesbro, v.p.-administration; James L. Carroll, v.p.-Central Region; Robert F. Finch, v.p.-intercompany relations; William Friedman, v.p.-government relations; Malcolm Holmes, v.p.-finance; Stephen C. Jones, v.p.-Eastern Region; Roy Kirkorian, v.p.-legal & secretary; Gary E. Lasher, v.p.-international; Leland J. Mast, v.p.; Edward J. Nicoletti, v.p.-regulatory matters; Robert Ratonyi, v.p.-corporate development; Donald W. Weber, v.p.-telephone operations; Charles L. Boll, treasurer; Don D. Pitts, controller.

Directors: Charles Wohlstetter*, chairman of the board; James V. Napier*, Robert E. La Blanc*, Irwin Schneiderman*, John M. Brock, I.W. Burnham, II, Robert J. Caverly, Sylvan C. Coleman, J.L. Robb, Howard Sloan, Sidney Topol, Robert V. West, Jr., J.P. Maguire.

*Member of the Executive Committee.

Areas of Work: Through its Executone, Inc. subsidiary, manufactures and markets a variety of communications systems for use in businesses, professional offices and institutions. Its products are sold, installed and maintained by a network of 126 independent distributors in the United States and in four other countries.

Transfer Agent(s):

Chemical Bank
Corporate Trust Dept.
P.O. Box 25962, Church Street Station
New York, New York 10249

Mercantile Trust Company, N.A.
Drawer 321, M.P.O.
St. Louis, Missouri 63166

United Virginia Bank
Box 6E
Richmond, Virginia 23214

Stock Exchange(s): New York, Pacific

Ticker Symbol: CTC

Number of Employees:

1980	19,679	1979	19,414

Sales and Earnings‡

	Revenues & Sales	Net Income
1980	$1,267,724,000	$122,932,000
1979	1,156,585,000	116,338,000
1978	975,518,000	100,582,000
1977	830,485,000	83,224,000
1976	716,191,000	70,912,000

	No. of Com. Shares	Earn. per Share#
1980	55,688,439	$2.13
1979	53,530,216	2.10

‡ Restated to include operations of companies acquired on a pooling of interest basis.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.38	—	—
1979	1.33	—	—
1978	1.22	—	—
1977	1.14	—	—
1976	1.04	—	—

Common Stock Equity ‡

	Total Equity	Equity Per Share
1980	$869,606,000	$15.62
1979	799,304,000	14.93

‡ Restated to include operations of companies acquired on a pooling of interests basis.

Income Account *
(000's)

Year ended Dec. 31	1980	1979‡
Domestic Tel. Oper:		
Oper. revenues	$ 1,006,850	$ 910,711
Maintenance	206,367	191,646
Depreciation & amortization	177,223	157,170
Traffic, commercial & other	243,002	214,213
Taxes	72,795	67,476
Inc. taxes	81,612	79,321
Other income	(2,265)	(1,696)
Interest expense	101,380	85,255
Minority interest	6,802	7,080
Net Income	$ 119,934	$ 110,246
Supply, Communications Syst. & Other Oper.:		
Net revenues & sales	$ 244,240	$ 225,942
Cost of sales & expenses	232,186	209,845
Fed. inc. taxes	8,012	7,190
Net Income	$ 4,042	$ 8,907
Oper. revenues	16,634	19,932
Expenses	13,425	16,912
For. inc. taxes	3,873	1,024
Net Income (Loss)	$ (664)	$ 1,996
Corporate-expenses, taxes	380	4,811
Consolidated Net Income	$ 122,932	$ 116,338

‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets
(000's)

As of Dec. 31	1980	1979‡
Cash & temp. cash invest.	$ 50,261	$ 53,103
Cert. of deposits	1,460	1,910
Marketable securities	5,221	25,181
Accts. receiv., net	188,704	165,213
Materials & supplies	31,151	33,123
*Inventories	21,570	15,969
Prepaid expenses	14,349	10,318
Current Assets	$ 312,716	$ 304,817
Invest. cost in exc. of book value	60,034	57,388
Invest. in Am. Satellite Co.	25,843	—
Investment in unconsol. subsid.	7,466	4,608
#Fixed assets	2,694,604	2,510,504
Notes receiv.	46,049	49,724
Other assets	40,848	33,074
Deferred charges	19,992	14,972
Total Assets	$ 3,207,552	$ 2,975,087

Liabilities
(000's)

Long-term debt, curr.	$ 51,913	$ 42,995
Interim construction loans	31,643	71,345
Comm. paper	—	40,395
Accts. payable	111,096	108,545
Accrued taxes	45,654	34,503
Accrued interests	19,371	19,684
Other liab.	54,791	52,756
Curr. Liabilities	$ 314,468	$ 370,223
Long-term debt	1,429,846	1,265,946
Deferred inc. taxes	277,566	246,975
Deferred credits	169,029	136,539
Redeemable preferred stock	147,037	156,100
+Common stock	55,688	53,530
Add. paid-in capital	386,460	360,568
Retained earnings	421,755	380,093
Minority interest in common stock & ret. earnings	5,703	5,113
Total Liabilities & Shareholders' Equity	$ 3,207,552	$ 2,975,087

‡ Restated to include operations of companies acquired on a pooling of interests basis.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Net Income to Equity	14.14	14.55
Shareholders' Equity	$869,606,000	$799,304,000

Control Data Corporation

8100 34th Avenue South
Minneapolis, Minnesota 55420
(612) 853-8100

Mailing address:
P.O. Box 0
Minneapolis, Minnesota 55440

Officers: William C. Norris, chairman & chief executive officer; Robert M. Price, president & chief operating officer; Norbert R. Berg, deputy chairman; William R. Keye, Robert D. Schmidt, vice chairmen; Vernon E. Sieling, president-International Operations; Henry J. White, president-Services Company; Thomas G. Kamp, president-Peripheral Products; Paul G. Miller, chairman of the board & chief exec. officer, Commercial Credit Co.; John W. Lacey, president-Information & Education Systems Company; Marvin G. Rogers, exec. v.p.-finance; Robert L. Perkins, sr. v.p.-research; Robert C. Chinn, sr. v.p.-corp. strategic programs; Henry S. Forrest, sr. v.p.-govt. relations; Joseph D. Minutilli, pres. & chief operating officer-Commercial Credit Co.; William Radomsky, sr. v.p.-Commercial Credit Co.; Gordon R. Brown, sr. v.p.-marketing; Robert W. Duncan, pres.-Data Services Company; Walter H. Bruning, v.p.-retail marketing-;George M. Heenan, v.p.-applications strategy; Gerald G. Smith, sr. v.p.-business development; Peter G. Bailey, pres.-Control Data Business Advisors, Inc.; James T. Halom, v.p. & corp. treasurer; Edward E. Strickland, sr. v.p.-corp. growth; Gary E. Polaczyk, controller; Lois Dickson Rice, sr. v.p.-gov't. affairs; Lawrence Perlman, v.p., general counsel & corp. secretary; Eugene L. Baker, v.p.-human resources management service; George K. Bardos, v.p.-int'l trade relations; Phillip J. Bifulk, v.p.-small business development; Quentin J. Hietpas, v.p.-public relations; Herbert F. Trader, v.p.-urban programs; Roger G. Wheeler, v.p.-personnel & public relations; Raymond W. Allard, v.p.-international services; Franklin R. Dawe, v.p.-personnel & administration; Gerald W. Gilbert, pres., Magnetic Peripherals, Inc.; Larry E. Jodsaas, v.p.-Peripheral Products Co.; Robert W. Kleinert, pres., Service Bureau Co.; Thomas W. Miller, v.p.-Information & Education Systems Company; James Murdakes, v.p.-CybernetServices; Enamuel J. Ottis, sr. v.p.-Information & Education Systems Company; L.C. Roskam, v.p.-financial plans & controls; George F. Troy, sr. v.p.-marketing, Commercial Credit Company; Diane H. Wentworth, v.p.-operations services.

Directors: William C. Norris*, chairman; William R. Keye*, Philip M. Morse, Russell A. Nelson, Bernard A. Schriever, Judson Bemis*, Joseph W. Barr, Norbert R. Berg*, Thomas G. Kamp, Paul G. Miller, Robert M. Price*, Richard G. Lareau*, Robert D. Schmidt, Lawrence E. Walkley*, Leroy F. Stutzman, Joseph M. Walsh*, James C. Worthy, Lois Dickson Rice, Walter F. Mondale, Marvin G. Rogers.

*Member of Executive Committee.

Areas of Work: Develops, manufactures and markets computers, ranging from very large to small in size, and used in education, engineering, general data processing and specialized control systems worldwide; also makes and markets industrial instruments and controls and aerospace products. Markets computer peripheral equipment, including disk drives, magnetic tape transports, printers, card readers, card punches, terminals, data entry systems, mass storage systems and computer supplies, such as disk packs, forms, punched cards and magnetic tape. Provides computer services. Data services, utilizing communications networks and major computer centers, process scientific, engineering and business data. Professional services include maintenance, architectural design, consulting and education. Commercial Credit Company, a wholly-owned subsidiary, provides financial services through more than 1200 offices in the U.S., Canada, Europe and Asia. These include personal loans, installment financing, business loansand leasing services, vehicle and equipment leasing, factoring, real estate financing, and life, health, credit and casualty insurance.

Subsidiaries:

Commercial Credit Company
300 St. Paul Place
Baltimore, Maryland 21202

ARB (American Research Bureau), Inc.
4320 Ammendale Road
Beltsville, Maryland 20705

Autocon Industries, Inc.
2200 Berkshire Lane
Minneapolis, Minnesota 55427

The Service Bureau Corporation
1350 Avenue of the Americas
New York, New York 10019

Transfer Agent(s):

First National Bank of Minneapolis
First Bank Place
Minneapolis, Minnesota 55480

First National Bank of Minneapolis
c/o Bradford Trust (common & preferred)
67 Broad Street
New York, New York 10004

The Royal Trust Company
P.O. Box 7500, Station A
Toronto, Ontario, M5W 1P9 Canada

Mellon Bank, N.A. (preferred)
P.O. Box 444
Pittsburgh, Pennsylvania 15230

Stock Exchange(s): New York, Midwest, Pacific, Toronto, Frankfurt, Basle, Lausanne, Geneva, Zurich.

Ticker Symbol: CDA

Number of Employees:

1980	57,068
1979	57,182
1978	51,430
1977	46,197
1976	42,696

Sales and Earnings

	Revenues (000's)	Net Income # (000's)
1980	$2,790,500	$150,600
1979	2,273,000	124,200
1978	1,867,826	89,464
1977	1,512,875	62,995
1976	1,358,259	44,240

	No. of Com. Shares ‡	Earn. per Share ‡#
1980	17,635,000	$8.45
1979	17,044,000	7.20
1978	16,987,000	5.17
1977	16,802,000	3.65
1976	16,748,000	2.55

‡ Based on the weighted average number of common stock and common stock equivalents outstanding.

# Including extraordinary gains of $1,300,000 ($0.16 per share) in 1980, $5,700,000 ($0.34 per share) in 1979, $5,000,000 ($0.29 per share) in 1978, $583,000 ($0.03 per share) in 1977 and $1,700,000 ($0.07 per share) in 1976.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.60	—	—
1979	0.40	—	—
1978	0.25	—	—
1977	0.15	—	—

Common Stock Equity

	Total Equity ‡ (000's)	Equity Per Share
1980	$ 1,417,600	$76.84
1979	1,157,700	69.07
1978	1,020,744	61.01
1977	929,918	55.65

‡ After allowing for preferred stock at par value.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Revenue	$ 2,790,500	$ 2,273,000
Cost of revenues	1,858,600	1,518,700
Expenses	511,200	428,900
Res. & develop.	182,800	149,300
Interest expense	65,000	47,000
Income before taxes	$ 172,900	$ 129,100
Income taxes	79,500	61,400
Minority interest	2,200	2,600
Net Income	$ 91,200	$ 65,100
Extraord. gain	1,300	5,700
Net Income— computer bus.	$ 92,500	$ 70,800
Net Income— commercial credit	58,100	53,400
Net Income	$ 150,600	$ 124,200

*Included in Costs and Expenses, Depreciation and Amortization: $194,200,000 in 1980 and $146,600,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash & marketable securities	$ 74,400	$ 22,700
Receiv., net	474,600	445,200
*Inventories	570,900	544,000
Prepaid expenses	15,600	15,500
Current Assets	$ 1,135,500	$ 1,027,400
Investments & advances	776,200	706,900
# Fixed assets	564,000	461,800
Other assets	59,100	65,300
Total Assets	$ 2,534,800	$ 2,261,400

Liabilities
(000's)

Notes pay. & long-term debt, curr.	$ 51,400	$ 74,900
Amounts due affiliates, curr.	91,000	87,000
Accts. payable & overdrafts	117,300	135,000
Other liab.	376,700	328,400
Curr. Liabilities	$ 636,400	$ 625,300
Long-term debt	122,900	161,100
Amount due affiliates	204,400	177,300
Minority interest	43,000	38,700
Other liabilities	36,800	36,000
Deferred inc. taxes	36,600	28,200
+ Preferred stock	37,100	37,100
+ + Common stock	18,700	17,000
Add. paid-in capital	461,700	345,700
Retained earnings	968,100	829,400
Treasury stock	(7,900)	(7,900)
Net unrealized loss on securities	(7,200)	(15,900)
Notes from employees	(15,800)	(10,600)
Total Liabilities & Shareholders' Equity	$ 2,534,800	$ 2,261,400

*At lower of cost (FIFO or average) or market; working process and finished goods are valued at cost not in excess of realizable values.

# Less accumulated depreciation and amortization.

+ $100 par value; 4½% cumulative.

+ + $1 par value.

Statistical Summary

%Net Income to Revenue	5.40	5.46
%Net Income to Equity	10.35	10.40
Working Capital	$ 499,100,000	$ 402,100,000
Current Ratio	1.78	1.64
Shareholders' Equity	$1,454,700,000	$1,194,800,000

Control Laser Corporation

11222 Astronaut Boulevard
Orlando, Florida 32809
(305) 851-2540

Officers: Robert D. van Roijen Jr., chairman of the board; M. Lee McDaniel, president; John J. Fitzgerald, v.p.-sales; Robert C. Holand, v.p.-marketing; B.A. Byrd, v.p.-administration; I. Townsend Burden III, secretary; James J. Feicyn, Jr., v.p.-finance & treasurer.

Directors: Robert D. van Roijen Jr., chairman, M. Lee McDaniel, I. Townsend Burden III, Childs F. Burden, T.H. Maiman, Robert L. Tull, Robert E. Windham, F. Philip Handy, J. Jo n Byington.

Areas of Work: Engaged in the development, manufacture and marketing of high powered industriallasers. Solid state lasers (Yag), gas lasers, dye lasers and accessories are marketed to original equipment manufacturers, universities and laboratories, for jet engines.

Subsidiaries:

Holobeam Laser, Inc.
11222 Astronaut Boulevard
Orlando, Florida 32809

Engaged in the manufacture and sale of lasers and laser systems for industrial purposes.

Affiliates:

Control Laser Limited (45% Owned)
Industrial Power Beams
9 Royal Oak Industrial Estate
Daventry, Northamptonshire
England NN115PJ

Engaged in the manufacturing and marketing of lasers and laser systems.

Transfer Agent(s):

Barnett Bank Trust Company, N.A.
Jacksonville, Florida

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CLSR (NASDAQ)

Number of Employees:

1980	175
1979	160
1978	95
1977	66
1976	37

Control Laser Corporation

Plant Footage:

1980	80,000 sq.ft.	1978	30,000
1979	70,000	1977	30,000

Sales and Earnings

	Net Sales +	Net Income
1980	$ 13,331,054	$ 1,231,947
1979	10,058,000	1,048,000
1978	7,055,048	812,864
1977	3,869,238	376,269
1976	2,249,548	386,931

	No.of Com. Shares †	Earn per Share †
1980	2,622,788	$0.47
1979	2,375,642	0.44
1978	2,307,995	0.33
1977	2,232,306	0.17
1976	2,155,157	0.14

+ Of continuing operations only.

† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock splits.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$0.07	—	3-for-2
1979	0.07	—	3-for-2
1978	—	[illegible]	—
1977	0.06	10%	—
1976	0.05	10%	—

‡ Adjusted to reflect stock dividends and stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 14,444,615	$5.51
1979	5,420,369	2.28
1978	4,415,396	1.91
1977	3,482,430	1.56
1976	3,277,337	1.52

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock splits.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 13,331,054	$ 10,058,378
Cost of sales	7,551,763	5,440,639
Expenses	3,729,572	2,777,366
Interest expense	242,188	96,985
Other income	(392,074)	(68,716)
Income before taxes	$ 2,199,605	$ 1,812,104
Income taxes	959,839	764,411
Income-cont. oper.	$ 1,239,766	$ 1,047,693
Equity in loss of affil.	(7,819)	—
Net Income	$ 1,231,947	$ 1,047,693

* Included in Costs and Expenses, Depreciation and Amortization: $226,525 in 1980 and $165,322 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 1,561,174	$ 21,323
Note receiv.	3,126,040	—
Accts. receiv., net	3,282,340	2,971,195
* Inventories	5,572,572	3,695,409
Prepaid expenses	270,211	114,203
Current Assets	$ 13,812,337	$ 6,802,130
# Fixed assets	2,166,301	1,897,688
Investments	1,547,357	—
Total Assets	$ 17,525,995	$ 8,699,818

Liabilities

Note payable	$ 561,800	$ 700,000
Long-term debt, curr.	20,481	18,678
Accts. payable	948,172	1,262,318
Accruals	399,424	292,432
Accrued payroll	108,638	108,924
Income taxes	276,000	158,752
Curr. Liabilities	$ 2,314,515	$ 2,541,104
Long-term debt	717,865	738,345
Deferred income taxes	49,000	—
+ Common stock	30,215	15,448
Add. paid-in capital	11,583,322	3,715,550
Retained earnings	2,837,635	1,816,822
Treasury stock	(6,557)	(7,451)
Notes receiv. for comm. stock	—	(120,000)
Total Liabilities & Shareholders' Equity	$ 17,525,995	$ 8,699,818

* At lower of cost (FIFO) or accumulated production costs) or market.

# Less accumulated depreciation and amortization.

+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	16.50	18.02
%Net Income to Sales	9.24	10.42
%Net Income to Equity	8.53	19.33
Sales to Inventories	2.39	2.72
Working Capital	$ 11,497,822	$ 4,261,026
Current Ratio	5.97	2.68
Shareholders' Equity	$ 14,444,615	$ 5,420,369

Corning Glass Works

Houghton Park
Corning, New York 14831
(607) 962-9000

Officers: Amory Houghton, Jr., chairman of the board and chief executive officer; Thomas C. MacAvoy, president and chief operating officer; William H. Armistead, vice chairman; James R. Houghton, vice chairman and chief strategic officer; Roger G. Ackerman, Forrest E. Behm, Richard Dulude, E. Martin Gibson, William H. Hudson, John R. Hutchines, III, David E. Leibson, Conrad R. Stemski, Robert Turissini, senior vice presidents; Van C. Campbell, sr. v.p.-finance; Ralph P. Baker, Jr., William J. Bradshaw, Billie Brown, James A. Burt, Allan D. Cors, David A. Duke, Henry F. Frailey, F. Philip Hunt, Joseph C. Littleton, H. Justin Lubold, David B. Luther, Wilfred L. McMahon, Robert L. Montgomery, Francis H. Olmstead, Jr., David N. Van Allen, vice presidents; William C. Ughetta, v.p., general counsel and secretary; James E. Riesbeck, controller; James L. Flynn, treasurer; Andrew H. Baker, Claud H. Schuckers, asst. controllers; Chesley P.W. Booth, Clarence R. Patty, Jr., A. John Peck, Jr., asst. secretaries.

Directors: Amory Houghton, Jr., chairman; Thomas C. MacAvoy, William H. Armistead, James R. Houghton, Forest E. Behm, Mary L. Bundy, Francis H. Burr, John B. Coburn, James B. Fisk, Henry H. Fowler, Robert L. Genillard, James W. Kinnear, Edward L. Palmer, Donald S. Perkins, Henry Rosovsky, Robert G. Stone, Jr., Amory Houghton.

Areas of Work: Operates in four broad industry segments: Consumer products-manufactures tablewares and housewares including glass and glass-ceramic cookware for cooking, serving, and storing food, indoor plant containers, and "Steuben" lead crystal. Consumer Durable Components-produces bulbs for both black and white and color television sets, automotive halogen-cycle lamps, bulbs, tubing, lenses, reflectors, and filters used in automotive pollution control devices. Capital Goods Components-manufactures refractory blocks, technical ceramics based on zirconia, oxygen sensors, electronic components such as resistors and capacitors, optical waveguides, optical cables, copper cable, and aircraft windows. Health and Science-manufactures medical diagnostic products, optical ware, and opthalmic lenses, laboratory ware, and glass piping.

Subsidiaries:

Components, Incorporated
Biddeford, Maine

Corning International Corporation
Corning, New York

Corning Glass International Sales Corporation
Corning, New York

Corning Investments, Inc.
Corning, New York

Pacific Glass Corporation
Taipei, Taiwan

Corning Canada Inc.
Toronto, Ontario, Canada

Corning Finance, A.G.
Zug, Switzerland

Corning Glas G.m.b.H.
Wiesbaden, West Germany

Corning Limited
Sunderland, England

Corning A.B.
Malmo, Sweden

Corning Europe Inc.
Paris, France

Corning K.K.
Tokyo, Japan

IMA GmbH
Giessen, West Germany

Corning S.p.A.
Milan, Italy

Corning Mexicana, S.A. de C.V.
Monterrey, Mexico

Corning Venezolana, S.A.
Caracas, Venezuela

Rigolleau, S.A.
Buenos Aires, Argentina

Productos Corning de Mexico, S.A. de C.V.
Monterrey, Mexico

Sovcor, S.A.
Paris (Le Vesinet), France

Corning France, S.A.
Avon, France

Teddington Company Limited
Hamilton, Bermuda

Vidros Corning Brasil, Ltda
Suzano, Brazil

Corning Designs Ltd.
Clinton, New Jersey

Gilford Instrument Laboratories, Inc.
Oberlin, Ohio

Afora, S.A.
Barcelona, Spain

E.I.V.S.
Paris (Villeneuva-la-Garenne), France

Q.V.F. Glastechnik, G.m.b.H.
Wiesbaden, Germany

Q.V.F., Italiana, S.p.a.
Milan, Italy

Corning Latin America/Asia-Pacific, Inc.
Corning, New York
Dow Corning Corporation (50% owned)
Midland, Michigan

Owens-Corning Fiberglas Corporation
Toledo, Ohio

Pittsburgh Corning Corporation (50% owned)
Pittsburgh, Pennsylvania

Borosil Glass Works Limited (39.5% owned)
Bombay, India

Crown Corning Limited (50% owned)
Sydney, N.S.W. Australia

Iwaki Glass Company, Ltd. (49.8% owned)
Tokyo, Japan

Samsung Corning Company Ltd. (50% ownd)
Seoul, Korea

Siecor G.m.b.H. (50% owned)
Munich, Germany

Radelcor Intrument Sales Ltd. (49% owned)
Budapest, Hungary

Asahi Medico, K.K. (33% owned)
Tokyo, Japan

N-Cor Ltd. (50% owned)
Nagoya, Japan

Vitrocrisa Kristal, S.A. (45% owned)
Monterrey, Mexico

Siecor Corporation (50% owned)
Hickory, North Carolina

Acquisition(s):

Superior Cable Corporation (50% interest)
Hickory, North Carolina

Manufactures copper cable and other products for the telecommunications industry.

Gilford Instrument Laboratories, Inc.
Oberlin, Ohio

Manufactures analytical instruments and diagnostic reagents for hospitals and research laboratories in the U.S. and Europe.

Transfer Agent(s):

Citibank, N.A.
111 Wall Street
New York, New York 10043

Stock Exchange(s): * New York, Zurich, Boston, Midwest, Pacific, Philadelphia

* Listed and/or traded.

Ticker Symbol: GLW

Number of Employees:

1980	28,800	1977	29,700
1979	30,200	1976	29,800
1978	29,500		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$1,529,670	$ 114,720
1979	1,421,598	124,943
1978	1,251,728	104,363
1977	1,119,630	92,083
1976*	1,025,905	83,713

	No. of Com. Shares	Earn. per Share +
1980	18,312,662	$6.26
1979	17,672,394	7.05
1978	17,742,576	5.89
1977	17,704,006	5.20
1976	17,657,031	4.74

* 53 weeks.
+ Based on the weighted average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Consumer products	$ 374,455	$ 357,098
Consumer durable components	443,725	423,636
Capital goods components	360,885	348,969
Health & science	350,605	291,895
Total	$ 1,529,670	$ 1,421,598

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.17	—	—
1979	1.94	—	—
1978	1.73	—	—
1977	1.56	—	—
1976	1.50	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1980	$ 912,707	$49.84
1979	827,964	46.85
1978	741,717	41.80
1977	666,440	37.64

Income Account *
(000's)

Year ended	12/28/80	12/30/79
Net sales	$ 1,529,670	$ 1,421,598
Cost of sales	1,082,253	983,907
Expenses	362,342	323,341
Oper. profit	$ 85,075	$ 114,350
Other income	(27,060)	(12,260)
Interest expense	18,732	22,016
Interest income	(29,011)	(38,846)
Income before taxes	$ 122,414	$ 143,440
Income taxes	46,951	61,539
Minority interest	(39,257)	(43,042)
Net Income	$ 114,720	$ 124,943

* Included in Costs and Expenses, Depreciation and Amortization: $73,957,000 in 1980 and $62,449,000 in 1979.

Assets
(000's)

As of	12/28/80	12/30/79
Cash	$ 33,565	$ 33,113
Short-term invest.	89,719	177,814
Accts. receiv., net	223,445	197,361
* Inventories	230,332	204,151
Prepaid exp. & def. inc. taxes	70,089	60,496
Current Assets	$ 647,150	$ 672,935
Investments	293,144	228,884
# Fixed assets	535,909	465,892
Goodwill	7,351	8,006
Other assets	16,070	9,446
Total Assets	$ 1,499,624	$ 1,385,163

Liabilities
(000's)

Loans payable	$ 45,695	$ 55,217
Accts. payable	86,390	79,163
Accrued liabilities & accruals	69,719	67,164
Wages & employee benefits	72,802	66,930
Income taxes	70,221	65,895
Curr. Liabilities	$ 344,827	$ 334,369
Loans payable	153,606	147,146
Accrued furniture repairs	23,752	19,630
Minority interest	6,699	5,063
Deferred invest. credits & deferred inc. taxes	24,823	23,020
Other liabilities	33,210	27,971
+ Common stock	93,059	95,956
Retained earnings	819,648	732,008
Total Liabilities & Shareholders' Equity	$ 1,499,624	$ 1,385,163

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.00	10.09
%Net Income to Sales	7.50	8.79
%Net Income to Equity	12.57	15.09
Sales to Inventories	6.64	6.96
Working Capital	$302,323,000	$338,566,000
Current Ratio	1.88	2.01
Shareholders' Equity	$912,707,000	$827,964,000

Craig Corporation

1900 Avenue of the Stars, Suite 2240
Los Angeles, California 90067
(213) 879-1545

Officers: Robert Craig, chairman of the board & chief executive officer; Peter M. Behrendt, president; Edward Y. Motokane, exec. vice president; Lauren C. Davies, sr. v.p.; P. Algis Raulinaitis, sr. v.p.-finance & secretary; Kent W. Davidson, v.p.-marketing; Marshal R. Brown, v.p.-quality & customer service; William R. Collins, v.p.-operations; Robert L. Woolheater, v.p., controller and treasurer; H. Brooks Cope, asst. secretary; Richard L. Battelle, asst. treasurer.

Directors: Robert Craig, chairman; James E. Cross, Sydney Rosenberg, Peter M. Behrendt, Edward Motokane, Philip L. Ball, Harvey Karp, Robert S. Dickerman.

Divisions and Subsidiaries:

Craig Group
921 West Artesia Boulevard
Compton, California 90220
(213) 537-1233

Imports consumer electronic products from Japan which are designed to Craig specifications, including citizens band radios, tape recorders, home and auto stereo units and dictating equipment.

Magnasync/Moviola Corporation
5547 Satsuma
North Hollywood, California 91601
(213) 877-2791

Manufactures professional motion picture editors for studio use and multi-channel recording equipment.

Dynatech Corp.
1225 Wakeham Avenue
Santa Ana, California 92705
(714) 547-4559

Manufactures electronic connectors and back plane panels.

Dimension Specialty Co., Inc.
921 West Artesia Boulevard
Compton, California 90220
(213) 537-1233

Represents various suppliers for consumer products for both import and export.
International Merchandising Associates Inc.
1950 Estes
Elk Grove Village, Illinois 60007

International Merchandising Associates

Manufactures clock radios, small audio systems and calculators.

Transfer Agent(s):

Bank of America NT & SA
111 West 7th Street
Los Angeles, California

Stock Exchange(s): New York, Pacific

Ticker Symbol: CRA

Number of Employees:

1980	873	1976	700
1979	886	1977	715
1978	753		

Plant Footage:

1980	369,000 sq. ft.	1977	321,000
1979	390,000	1976	321,000
1978	347,000		

Craig Corporation

Sales and Earnings

	Net Sales	Net Income
1980	$125,705,000	$ (383,000)
1979	119,086,000	1,802,000
1978	119,009,000	6,960,000
1977	132,756,000	11,051,000
1976	117,932,000	9,877,000

	No. of Com. Shares	Earn. per Share #
1980	3,027,328	$ —
1979	3,049,877	0.59
1978	3,109,620	2.23
1977	3,117,593	3.52
1976	3,153,378	3.18

(Loss)

Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1980	1979	1978	1977
Craig group	83%	85%	88%	91%
Magnasync group	17	15	12	9
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.125	—	—
1979	0.50	—	—
1978	0.475	—	—
1977	0.275	—	—
1976	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 38,981,000	$12.88
1979	39,968,000	13.10
1978	40,525,000	13.03
1977	35,191,000	11.29
1976	25,095,000	7.96

Income Account *

Year ended June 30	1980	1979
Net sales	$125,705,000	$119,086,000
Cost of sales	95,640,000	90,278,000
Expenses	27,816,000	23,062,000
Interest expense	3,164,000	1,867,000
Income (loss) before taxes	$ (915,000)	$ 3,879,000
Income taxes (credit)	(532,000)	2,077,000
Net Income (Loss)	$ (383,000)	$ 1,802,000

*Included in Costs and Expenses, Depreciation and Amortization: $571,000 in 1980 and $404,000 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 2,197,000	$ 2,050,000
Receiv., net	27,999,000	32,403,000
Deferred tax benefit	352,000	—
*Inventories	35,405,000	36,186,000
Prepaid expenses	1,382,000	612,000
Current Assets	$ 67,335,000	$ 71,251,000
# Fixed assets	2,969,000	2,317,000
Other assets	651,000	559,000
Total Assets	$ 70,955,000	$ 74,127,000

Liabilities

Notes payable	$ 2,105,000	$ 2,126,000
Long-term debt, curr.	2,174,000	2,176,003
Accts. payable	2,582,000	3,673,000
Other liabilities	2,745,000	2,943,000
Trade acceptances & advances	16,442,000	14,731,000
Deferred inc. taxes	—	409,000
Curr. Liabilities	$ 26,048,000	$ 26,058,000
Long-term debt	5,926,000	8,101,000
+ Common stock	788,000	788,000
Add. paid-in capital	4,214,000	4,288,000
Retained earnings	35,313,000	36,076,000
Treasury stock	(1,334,000)	(1,184,000)
Total Liabilities & Shareholders' Equity	$ 70,955,000	$ 74,127,000

*At lower of cost (FIFO) or market.

# Less accumulated depreciation and amortization.

+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	3.26
%Net Income to Sales	—	1.51
%Net Income to Equity	—	4.51
Sales to Inventories	3.55	3.29
Working Capital	$ 41,287,000	$ 45,193,000
Current Ratio	2.59	2.73
Shareholders' Equity	$ 38,981,000	$ 39,968,000

Cray Research, Inc.

1440 Northland Drive
Mendota Heights, Minnesota 55120
(612) 452-6650

Officers: Seymour R. Cray, chairman of the board; John A. Rollwagen, president & chief executive officer; Peter Appleton Jones, v.p.-marketing; John F. Carlson, v.p.-finance & treasurer; Lester T. Davis, v.p.-manufacturing & engineering; Irvin E. Engebretson, controller; Marshall A. Wiley, secretary, Margaret A. Loftus, v.p.-software development.

Directors: Seymour R. Cray*, chairman; Francis X. Driscoll, Thomas A. Longo, G. Stuart Patterson*, Jr., John A. Rollwagen*, Andrew Scott*, Robert F. Zicarelli.

*Member of Executive Committee.

Areas of Work: Engaged in the design, development and manufacture of large-scale, high-speed computing systems intended for scientific applications, and the marketing and maintenance of such systems.

Subsidiaries:

Cray Laboratories, Inc.
Boulder, Colorado

Cray Research GmbH
Munich, West Germany

Cray Research Japan, Limited
Tokyo, Japan

Cray Research (U.K.) Ltd.
Workingham, England

Cray Research France, S.A.
Paris, France

Transfer Agent(s):

First Trust Company of St. Paul
St. Paul, Minnesota 55101

Manufacturers Hanover Trust Company
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: CYR

Number of Employees:

1980	761	1977	199
1979	524	1976	124
1978	321		

Sales and Earnings

	Revenue	Net Income ‡
1980	$ 60,748,000	$ 10,900,000
1979	42,715,000	7,819,000
1978	17,177,000	3,501,000
1977	11,394,000	2,027,000
1976	509,000	(1,551,000)

	No. of Com. Shares	Earn. per Share ‡ #
1980	13,590,000	$0.85
1979	12,346,000	0.63
1978	12,260,000	0.22
1977	10,896,000	0.10
1976	10,502,000	—

(Loss)

‡ Including extraordinary gains of $900,000 ($0.07 per share) in 1978 and $1,000,000 ($0.09 per share) in 1977.

# Based on the weighed average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	3-for-1
1979	—	—	—
1978	—	—	5-for-2

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 75,803,000	$5.58
1979	28,623,000	2.32
1978	20,638,000	1.68
1977	14,636,000	1.34
1976	12,054,000	1.15

‡ Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 37,645	$ 26,496
Leased systems	15,841	12,545
Service fees	7,262	3,674
Revenues	$ 60,748	$ 42,715
Cost of sales	10,460	6,965
Cost of leased systems	6,356	5,380
Cost of service	5,385	2,960
Expenses	19,990	12,440
Interest expense	776	364
Interest income	(1,754)	(564)
Other income	(265)	(48)
Income before taxes	$ 19,800	$ 15,218
Income taxes	8,900	7,399
Net Income	$ 10,900	$ 7,819

* Included in Costs and Expenses, Depreciation and Amortization: $8,962,000 in 1980 and $6,539,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 669	$ 558
Investments	35,161	775
Accts. receiv., net	2,524	4,636
* Inventories	30,651	16,624
Prepaid expenses	548	346
Current Assets	$ 69,553	$ 22,939
# Leased systems & spares	15,004	13,409
# Fixed assets	19,213	9,451
Defer. charges & other assets	738	314
Total Assets	$ 104,508	$ 46,113

Liabilities
(000's)

Long-term debt, curr.	$	718	$	113
Accts. payable		3,911		4,464
Accruals		872		493
Employee compensation		2,580		905
Income taxes		7,376		2,385
Other taxes		420		253
Cust. adv. pay.		133		377
Curr. Liabilities	$	16,010	$	8,990
Long-term debt		7,876		3,029
Deferred inc. taxes		4,819		5,471
+ Common stock		13,590		12,346
Add. paid-in capital		41,946		6,910
Retained earnings		20,267		9,367
Total Liabilities & Shareholders' Equity	$	104,508	$	46,113

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	52.60	35.63
%Net Income to Revenues	28.95	18.31
%Net Income to Equity	14.38	27.32
Working Capital	$ 53,543,000	$ 13,949,000
Current Ratio	4.34	2.55
Shareholders' Equity	$ 75,803,000	$ 28,623,000

Crestek, Inc.

(formerly Crest Ultrasonics Corporation)

Scotch Road
Mercer County Airport
Trenton, New Jersey 08628
(609) 883-4000

Officers: Michael J. Nash, president & chief executive officer; Anton H. Rice, III, chief financial officer; Frank Joworisak, treasurer & secretary.

Directors: Anton H. Rice, III, chairman; William P. O'Connor, Edward Gutowski, Thomas G. Parker, David Preston, Michael J. Nash.

Areas of Work: Manufactures ultrasonic and non-ultrasonic cleaning equipment, including custom engineered and automated systems and vapor degreasers.

Acquisition(s):

Ultrasonic Division of UTI

Transfer Agent(s):

Fidelity Union Trust Company
Trust Dept.
765 Broad Street
Newark, New Jersey 07101

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CRST (NASDAQ)

Number of Employees:

1980	50	1977	45
1979	50	1976	45
1978	46		

Plant Footage:

1980	50,000 sq. ft.	1977	20,000
1979	20,000	1976	20,000
1978	20,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 3,500,345	$ 328,877
1979	2,864,705	264,050
1978	2,206,308	166,529
1977	1,631,854	93,751
1976	1,413,174	39,970

	No. of Com. Shares	Earn. per Share ‡ +
1980	610,859	$0.43
1979	425,879	0.42
1978	273,442	0.31
1977	348,442	0.17
1976	308,442	0.08

‡ Including extraordinary gains of $16,500 ($0.03 per share) in 1978, $21,000 ($0.04 per share) in 1977 and $8,768 ($0.02 per share) in 1976.

+ Based on the average number of common shares and common share equivalents outstanding and adjusted to reflect stock splits and stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	6-for-5
1979	—	8%	5-for-4

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 717,132	$1.17
1979	335,615	0.79
1978	67,277	0.25

Income Account *

Year ended June 30		1980		1979
Net sales	$	3,500,345	$	2,864,705
Cost of sales		1,721,821		1,373,996
Expenses		1,264,487		997,229
Oper. profit	$	514,037	$	493,480
Other income		22,593		7,297
Total	$	536,630	$	500,777
Interest expense		3,753		12,727
Income before taxes	$	532,877	$	488,050
Income taxes		204,000		224,000
Net Income	$	328,877	$	264,050

* Included in Costs and Expenses, Depreciation and Amortization: $13,416 in 1980 and $15,430 in 1979.

Assets

As of June 30		1980		1979
Cash	$	643,213	$	51,148
Marketable securities		50,000		200,000
Notes and accts. receiv., net		537,189		518,648
* Inventories		343,424		239,200
Prepaid expenses		20,312		15,791
Current Assets	$	1,594,138	$	1,024,787
Notes receiv.		7,500		17,500
# Fixed assets		293,344		77,403
Other assets		125,333		25,512
Total Assets	$	2,020,315	$	1,145,202

Liabilities

Long-term debt, curr.	$	64,493	$	26,088
Accts. payable		145,033		120,738
Accruals		112,610		117,018
Advances from cust.		24,026		—
Income taxes		80,514		190,105
Curr. Liabilities	$	426,684	$	453,949
Long-term debt		604,299		23,038
Deferred inc. taxes		7,000		—
+ Redeem. pref. stock-Class B		104,100		171,500
+ + Redeem. pref. stock		1,611		1,611
Exc. of redemp. price over par-$6.50 pref.		159,489		159,489
+ + + Common stock		35,783		34,935
Add. paid-in capital		299,199		228,240
Retained earnings		513,219		203,509
Exc. of redemp. price over fair value-pref. stock		(131,069)		(131,069)
Total Liabilities & Shareholders' Equity	$	2,020,315	$	1,145,202

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $100 par value; $6.75 cumulative.
+ + $1 par value; $6.50 cumulative.
+ + + No par value.

Statistical Summary

%Income before Taxes to Sales	15.22	17.04
%Net Income to Sales	9.40	9.22
%Net Income to Equity	45.86	78.68
Sales to Inventories	10.19	11.98
Working Capital	$ 1,167,454	$ 570,838
Current Ratio	3.74	2.26
Shareholders' Equity	$ 717,132	$ 335,615

Criton Corporation

(formerly Heath Tecna Corporation)

10800 NE 8th Street
Bellevue, Washington 98004
(206) 453-9400

Officers: Carroll M. Martenson, chairman of the board and chief executive officer; Donald R. Stenquist, president; Wendell P. Hurlbut, group vice president; Harold S. Meden, v.p.-corporate development; Robert W. Stevenson, v.p.-finance and secretary; Robert E. Schorn, treasurer.

Directors: Carroll M. Martenson*, chairman; John L. Aram, Bert H. Hambleton*, Robert V. Hansberger, James E. Knott, Kenneth J. Prince*, Robert M. Thorpe, James A. Walsh*, Harold H. Heath.

*Member of the Executive Committee.

Areas of Work: Produces avionics equipment, tactical air nevagation beacon simulators, metalbond panels, solar substrates, consumable shell casings, aircraft ground support products, military shelters, fiberglass reinforced plastic aircraft and helicoptercomponents, interior components for commercial jet airliners, machined metal aircraft components, countermeasure radomes, hearing aids, audiometers, building products and protective finishings.

Divisions and Subsidiaries:

Plastics Fabricating Inc.
1650 S. McComas Avenue
Wichita, Kansas 67213
(316) 942-1241

Fentron Building Products, Inc.
2801 N.W. Market Street
Seattle, Washington 98107
(206) 782-2000

Anomet Metal Finishing, Inc.
26415 Corporate Avenue
Eden Landing Industrial Park
Hayward, California 94545
(415) 783-3324

Hytek Finishes Co.
8202 S. 200th Street
Kent, Washington 98031
(206) 872-1760

Armtec Defense Products, Inc.
85-901 Avenue 53
Coachella, California 92236
(714) 398-0143

Maico Hearing Instruments, Inc.
7375 Bush Lake Road
Minneapolis, Minnesota 55435
(612) 835-4400

Heath Tecna Precision Structures, Inc.
19819 84th Avenue South
Kent, Washingion 98031
(206)872-7500

Republic Electronics, Inc.
575 Broad Hollow Road
Melville, New York 11747
(516) 249-1414

Wollard Airport Equipment, Inc.
6950 Northwest 77th Court
Miami, Florida 33166
(305) 592-5450

Viking Connectors, Inc.
21001 Nordhoff Street
Chatsworth, California 91311
(213) 341-4330

TA Mfg., Inc.
375 West Arden Avenue
Glendale, California 91203
(213) 240-4600

Midcon Cables, Inc.
2500 Davis Boulevard
Joplin, Missouri 64801
(417) 781-4331

Transfer Agent(s):

First National Bank of Boston
100 Federal Street
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s): New York

Ticker Symbol: CN

Number of Employees:

1980	2,321	1977	1,592
1979	2,640	1976	1,457
1978	2,370		

Sales and Earnings

	Net Sales +	Net Income ‡
1981	$140,807,000	$ 18,936,000
1980	123,814,000	11,945,000
1979	91,600,000	7,665,000
1978	56,142,000	4,585,000
1977	52,437,000	4,155,000

	No. of Com. Shares #	Earn. per Share ‡ #
1981	3,483,000	$5.44
1980	3,429,000	3.48
1979	4,053,000	1.89
1978	4,540,000	1.01
1977	4,687,000	0.89

+ Of continuing operations only.
‡ Including extraordinary gain of $384,000 ($0.08 per share) in 1977.
# Based on the average number of common shares and common share equivalents outstanding, adjusted to reflect stock splits.

Revenues By Line of Business

	1981	1980
Air transportation prod.	$ 65,330,000	$ 55,211,000
Building products & protective finishes	23,786,000	27,050,000
Electronics & defense	51,691,000	41,553,000
Total	$140,807,000	$123,814,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	—	—	3-for-2
1980	—	—	3-for-2
1979	—	—	—
1978	—	—	3-for-1

Common Stock Equity

	Total Equity	Equity Per Share #
1981	$ 54,242,000	$15.57
1980	34,784,000	10.14
1979	22,701,000	5.60
1978	14,893,000‡	3.28
1977	11,038,000‡	2.36

‡ After allowing for preferred stock at stated value of $20.83 per share.
# Based on the average number of common shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended Jan. 31	1981	1980
Net sales	$140,807,000	$123,814,000
Cost of sales	91,946,000	83,636,000
Expenses	23,353,000	19,215,000
Interest expense	1,124,000	2,394,000
Other income	(1,135,000)	(881,000)
Income before taxes	$ 25,519,000	$ 19,450,000
Income taxes	11,539,000	8,600,000
Income from cont.-oper.	$ 13,980,000	$ 10,850,000
Income from discont.-oper	4,956,000	1,095,000
Net Income	$ 18,936,000	$ 11,945,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,205,000 in 1981 and $2,477,000 in 1980.

Assets

As of Jan. 31	1981	1980
Cash	$ 349,000	$ 3,183,000
Short-term invest.	18,814,000	—
Accts. receiv., net	21,586,000	30,038,000
* Inventories	22,599,000	28,336,000
Prepaid expenses	161,000	2,290,000
Current Assets	$ 63,509,000	$ 63,847,000
# Fixed assets	19,620,000	17,949,000
Other assets	5,252,000	5,984,000
Total Assets	$ 88,381,000	$ 87,780,000

Liabilities

Notes payable & cap. lease oblig., curr.	$ 322,000	$ 879,000
Accts. payable	17,043,000	19,241,000
Accruals	3,993,000	4,216,00
Income taxes	8,376,000	7,031,000
Curr. Liabilities	$ 29,734,000	$ 31,367,000
Long-term debt	1,263,000	17,024,000
Cap. lease oblig.	3,142,000	4,236,000
Value of assets acq. in excess of invest.	—	369,000
+ Common stock	1,202,000	1,180,000
Add. paid-in capital	6,864,000	6,364,000
Retained earnings	46,176,000	27,240,000
Total Liabilities & Shareholders' Equity	$ 88,381,000	$ 87,780,000

* At lower of cost (LIFO) or market for the distribution subsidiary, all others at lower of cost (average) or market.
# Less accumulated depreciation and amortization.
+ No par value, $0.37 stated value.

Statistical Summary

%Net Income to Equity	34.91	34.34
Sales to Inventories	6.23	4.37
Working Capital	$ 33,775,000	$ 32,480,000
Current Ratio	2.14	2.04
Shareholders' Equity	$ 54,242,000	$ 34,784,000

Cross & Trecker Corporation

525 North Woodward Avenue, Suite 700
Bloomfield Hills, Michigan 48013
(313) 644-4343

Officers: Ralph E. Cross, chairman of the board; Russell A. Hedden, president & chief executive officer; Kurt O. Tech, v.p.-industry relations; Jerome B. Herb, v.p.-corp. staff; Leon B. Messer, v.p.-marketing & corp. development; Donald E. Porter, v.p.-law & secretary; Robert T. Jeffares, v.p.-finance & treasure; Johannes A. Buiteweg, asst. secretary.

Directors: Ralph E. Cross, Francis J. Trecker, Harold A. Strickland, Jr., Algie A. Hendrix, Robert E. French, Ralph E. Cross, Jr., Russell A. Hedden, Thomas F. Russell, Herbert M. Shilson, Eugene P. Berg.

Areas of Work: Designs and builds special metal-cutting, assembly, and testing machines and integrated manufacturing systems. Also manufactures computer numericaly-controlled machining centers and milling machines and computer-controlled multiple-machine flexible manufacturing systems. Designs and builds automated systems for the founry and power generating industries.

Operating Units:

The Cross Company
17801 East Fourteen Mile Road
Fraser, Michigan 48026
Manufactures special machine tools.

Cross Export Company
Domestic International Sales Corporation

Cross Europa-Werk, GmbH
7317 Wandlingen/Neckar
West Germany

Cross International, A.G.
Knowsley, Merseyside L34 9EZ, U.K.

Kearney & Trecker Corporation
11000 Theodore Trecker Way
Milwaukee, Wisconsin 53214
Produces computer-controlled machine tools and multiple-machine flexible manufacturing systems.

Georgetown Manufacturing Corporation
Georgetown, Kentucky 40324

Trexports, Inc.
Domestic International Sales Corporation

Kearney & Trecker GmbH
Schlossstrasse 65-67
7000 Stuttgart 1, West Germany

Kearney & Trecker Norden AB
Taby 18302, Sweden

Roberts Corporation
3001 West Main Street
Lansing, Michigan 48901
Manufactures sand and mold handling systems, automatic pouring systems, and various support equipment for the foundry industry.

Industrial Equipment Division
Lansing, Michigan 48901

Southern Division
Birmingham, Alabama 35215

Transfer Agent(s):

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CTCO (NASDAQ)

Number of Employees:

1980	4,300	2977	3,500
1979	4,100	1976	3,200
1978	3,600		

Sales and Earnings

	Net Sales	Net Income †
1980	$355,385,000	$ 33,397,000
1979	297,956,000	26,387,000
1978	236,095,000	17,090,000
1977	170,875,000	10,716,000
1976	140,769,000	7,889,000

	No. of Com. Shares #	Earn. per Share † #
1980	12,372,000	$2.70
1979	12,279,000	2.15
1978	12,152,000	1.41

1977	12,056,000	0.89
1976	12,369,000	0.64

† Including extraodinary gain of $961,000 ($0.08 per share) in 1977.
# Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.562	—	3-for-2
1979	0.403	—	—
1978	0.282	—	—
1977	0.203	—	—
1976	0.117	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$155,112,000	$12.52
1979	128,552,000	10.41
1978	106,725,000	8.73
1977	92,699,000	7.66
1976	84,142,000	7.01

# Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Sept. 30	1980	1979
Net sales	$ 355,385	$ 297,956
Cost of sales	244,092	210,610
Expenses	54,071	44,103
Other income	(6,722)	(6,362)
Interest expense	1,569	1,218
Income before taxes	$ 62,375	$ 48,387
Income taxes	28,978	22,000
Net Income	$ 33,397	$ 26,387

* Included in Costs and Expenses, Depreciation: $5,546,000 in 1980 and $4,762,000 in 1979.

Assets
(000's)

As of Sept. 30	1980	1979
Cash	$ 4,204	$ 8,417
Short-term invest.	43,338	39,051
Trade receiv.	68,841	70,405
* Inventories	99,612	80,996
Prepaid expenses	1,377	1,523
Current Assets	$ 217,372	$ 200,392
Investments	2,938	2,855
# Fixed assets	46,451	33,057
Unexpended bond proc.	7,265	—
Other assets	1,311	1,128
Toal Assets	$ 275,337	$ 237,432

Liabilities
(000's)

Short-term debt	$ 3,310	$ —
Long-term debt, curr.	1,100	4,041
Accts. payable	21,119	23,425
Advance payments	7,507	16,602
Accruals	30,497	27,978
Income taxes	33,731	26,558
Curr. Liabilities	$ 97,264	$ 98,604
Long-term debt	15,123	4,229
Deferred income	5,267	4,131
Deferred inc. taxes	2,571	1,916
+ Common stock	12,384	8,236
Add. paid-in capital	15,898	19,930
Retained earnings	126,830	100,386
Total Liabilties & Shareholders' Equity	$ 275,337	$ 237,432

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	17.55	16.24
%Net Income to Sales	9.40	8.86
%Net Income to Equity	21.53	20.53
Sales to Inventories	3.57	3.68
Working Capital	$120,108,000	$101,788,000
Current Ratio	2.23	2.03
Shareholders' Equity	$155,112,000	$128,552,000

Crouse-Hinds Company

P.O. Box 4999
Wolf and 7th North Streets
Syracuse, New York 13221
(315) 477-7000

Officers: Chris J. Whitting, chairman & chief executive officer; Paul A. Brunner, president; Robert W. Hawkinson, sr. v.p. & group exec.; Guillermo Clamont, v.p.-Mexico; Edward J. Dunphy, Jr., v.p.-personnel; Frank M. Egan, v.p.-purchasing; Albert O. Halstead, v.p.-community & government affairs; Frank R. Heath, v.p.-administration; Felix F. House, sr. v.p. & group exec.; Robert K. McCabe, v.p. & gen. mgr.-Lighting Products Div.; Edward G. Mogren, v.p. & gen. mgr.-Traffic Control Products Div.; Harry H. Meyer, Jr., v.p. & gen. mgr.-Arrow Hart Div.; John W. Perdiue, v.p. & gen. mgr.-Construction Materials Products Div.; H. John Riley, Jr., v.p. & gen. mgr.-Distribution Equipment Div.; Patrick J. Vassallo, v.p.-manufacturing; Gordon R. Raisbeck, sr. v.p.-director, International Operations; Robert L. Walker, M.D., v.p.-medical services; Robert B. Welsh, sr. v.p.-finance & treasurer; Nolly S. Evans, general counsel & secretary; Hugh Mease, Jr., v.p.-corporate affairs; Robert R. Schlichting, v.p. & controller.

Directors: William J. Bailey, Paul A. Brunner, Raymond W. Cummings, Ralph A. Galbraith, John G. Haehl, Jr., John F. Marsellus, John Davis Murphy, Victor J. Riley, Jr., Robert W. Hawkinson, Chris J. Witting, Frank S. Wilson.

Areas of Work: Manufactures and markets diversified product lines of electrical safety materials and equipment; electrical construction materials for use in hazardous and adverse environments; outdoor and indoor lighting products for commercial, industrial, and recreational applications, including aviation lighting; traffic control products for vehicular and pedestrian movement; and secondary electrical distribution equipment for residential, commercial, institutional, and industrial use such as switches, electrical outlets and connectors, manual and magnetic motor starters, relays and electronic timers, electric coils and transformers; specialty switches and motor speed controls, circuit breakers, load centers, busway systems, safety switches, motor control centers, panelboards, group metering equipment and switchgear; wire, cable, and fiber optics.

Divisions:

Construction Materials Products Division
Lighting Products Division
Arrow Hart Division
Distribution Equipment Division
Traffic Control Products Division
International Operations

Subsidiaries:

- Belden Corporation
    - Belden International Sales Corporation
    - Complete-Reading Electric Company
    - Temsco, Inc.
    - Electrical Specialty Co.
    - Exploration Data Consultants Incorporated
        - Edcon (U.K.) Ltd.
        - Edcon International, Inc.
    - Western Controls, Inc.
    - Magnium Electric Corp.
    - Geneva-Pacific Corp.
    - General Wire Cable Company Limited
    - Mili Bride, Inc.
- Crouse-Hinds de Venezuela, C.A.
- Crouse-Hinds-Domex, S.A. de C.V. (Mexico)
- Crouse-Hinds International Industries, Inc.
    - Arrow-Hart, S.A. de C.V.
    - Componentes E Interruptores S.A. de C.V.
    - Crouse-Hinds Arrow Hart Inc.
    - Crouse Hinds Canada Limited
    - Crouse-Hinds (UK) Limited
    - Arrow-Hart (Australia) Pty. Ltd.
    - Arrow-Hart (Europe) Limited
    - Arrow-Hart (New Zealand) Ltd.
    - Cablok Company Limited
- Crouse-Hinds International Sales Company
- Crouse-Hinds of Europe, S.p.A. (Italy)
- Crouse-Hinds of Pennsylvania, Inc.
- Crouse-Hinds Sepco Corporation
    - CIC International, Inc.
- Midwest Electric Maufacturing Corp.
- New England Die Casting Inc.
- The Laconia Malleable Iron Company

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
One New York Plaza
New York, New York 10081

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: CHI

Number of Employees:

1980	12,500	1977	8,000
1979	8,378	1976	7,690
1978	8,472		

Plant Footage:

1980	3,715,000 sq. ft.	1977	3,903,000
1979	3,715,000	1976	3,903,000
1978	3,813,000		

Sales and Earnings †

	Revenues	Net Income
1980	$753,566,000	$ 42,307,000
1979	667,510,000	38,794,000
1978	567,552,000	29,869,000
1977	502,856,000	25,676,000
1976	436,987,000	20,774,000

	No. of Com. Shares +	Earn. per Share ‡
1980	17,676,000	$2.50
1979	16,038,000	2.42
1978	17,433,000	1.96
1977	16,311,000	1.71

† Restated to include operations of companies acquired on a pooling of interests basis.
+ Adjusted to reflect stock splits.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.96	—	—
1979	0.88	—	3-for-2
1978	0.63	—	—
1977	0.55	—	4-for-3

+ Adjusted to reflect stock splits.

Common Stock Equity †

	Total Equity +	Equity Per Share ‡
1980	$246,522,000	$13.95
1979	200,845,000	12.52

1978	172,015,000	9.87
1977	144,359,000	8.85

† Restated to include operations of companies acquired on a pooling of interests basis.
‡ Adjusted to reflect stock splits.
+ After allowing for preferred stock at stated value.

Income Account ‡
(000's)

Year ended Dec. 31	1980	1979
Revenues	$ 753,566	$ 667,510
Cost of sales & services	495,010	448,191
Depreciation and amortization	14,188	11,996
Expenses	154,672	130,924
Interest expense	4,763	5,882
Merger expenses	9,252	—
Income before taxes	$ 75,681	$ 70,517
Income taxes	33,374	31,723
Net Income	$ 42,307	$ 38,794

‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 11,283	$ 20,035
Accts. receiv., net	102,950	93,543
* Inventories	132,104	125,764
Other assets	10,633	8,175
Current Assets	$ 256,970	$ 247,517
# Fixed assets	137,265	95,157
Intangibles	4,592	1,756
Other assets	2,347	2,243
Total Assets	$ 401,174	$ 346,673

Liabilities
(000's)

Short-term debt	$ 3,806	$ 3,405
Long-term debt, curr.	3,314	2,200
Accts. payable & accruals	84,092	61,032
Income taxes	8,888	10,785
Curr. Liabilities	$ 100,100	$ 77,422
Long-term debt	48,550	62,215
Deferred inc. taxes	3,508	2,824
+ Preferred stock	2,494	3,367
+ + Common stock	29,579	26,956
Add. paid-in capital	42,374	24,862
Retained earnings	175,050	149,945
Treasury stock	(481)	(918)
Total Liabilities & Shareholders' Equity	$ 401,174	$ 346,673

‡ Restated to include operations of companies acquired on a pooling of interests basis.
* At lower of costs (LIFO) or market. Foreign inventories stated at FIFO.
+ No par value; $3.35 cumulative convertible; $40 stated value.
+ + 1⅓ par value.

Statistical Summary

%Income bef. Taxes to Sales	10.04	10.56
%Net Income to Sales	5.61	5.81
%Net Income to Equity	16.99	19.00
Sales to Inventories	5.70	5.31
Working Capital	$156,870,000	$170,095,000
Current Ratio	2.57	3.20
Shareholders' Equity	$249,016,000	$204,212,000

CTS Corporation

905 N. West Boulevard
Elkhart, Indiana 46514
(219) 293-7511

Officers: Joseph DiGirolamo, chairman of the board; Robert D. Hostetler, president, chief executive officer, chief administrative officer & treasurer; Wayne A. Barden, Robert A. Stackhouse, Gary B. Erekson, Charles C. Smith, John P. Colglazier, vice presidents; Duane H. Daering, v.p.-personnel & industrial relations; Wayne A. Beaverson, v.p.-corp. development; R. Bruce Pickens, controller; James S. Taylor, vice president, general counsel & secretary; Robert P. Scott, group v.p.; James E. Hayes, William D. Baker, asst. controllers; David K. Sentman, asst. treasurer.

Directors: Joseph DiGirolamo*, chairman of the board; Robert D. Hostetler*, Gary B. Erekson, John C. Hancock, James S. Taylor, Richard C. Rastetter, David L. Howe, Roert P. Scott*, George F. Sommer*, Basil S. Turner.

*Member of Executive Committee.

Areas of Work: Manufactures electronic components for consumer, industrial and military electronic equipment. Products include variable resistors (potentiometers and trimmers), cermet microelectronic products (resistor and/or capacitor networks, hybrid circuits and variable resistors), loudspeakers, quartz crystal products (quartz crystals, filters, oscillators and crystal component ovens), injection molded plastic products, solid state rectifiers, selector switches, tools and dies, and automation machinery, tire rasps, and custom display fixtures.

Subsidiaries:

CTS of Elkhart Inc.
1142 West Beardsley Avenue
Elkhart, Indiana 46514
(219) 523-0210

CTS of Berne, Inc.
406 Parr Road
Berne, Indiana 46711
(219) 589-3111

CTS of West Liberty, Inc.
West Liberty, Ohio

CTS of Asheville, Inc.
Mills Gap Road
Skyland, North Carolina 28776
(704) 684-6451

CTS Microelectronics, Inc.
1201 Cumberland Avenue
West Lafayette, Indiana 47906
(317) 463-2565

CTS Halex, Inc.
Irvine, California

CTS Knights, Inc.
400 Reimann Avenue
Sandwich, Illinois 60548
(815) 786-8411

CTS of Fairbury, Inc.
Fairbury, Illinois

CTS Tool, Die & Machine, Inc.
3000 Engle Road
Fort Wayne, Indiana 46809
(219) 747-0531

CTS of Brownsville, Inc.
1100 Roosevelt Street
Brownsville, Texas 78520
(512) 546-5184

Service Plastics, Inc.
1850 Touhy Avenue
Elk Grove Village, Illinois 60007

CTS of Canada, Ltd.
80 Thomas Street
Streetsville, Ontario, Canada
(416) 826-1141

Keene Products, Inc.
P.O. Box 70
Middlebury, Indiana 46540
(219) 825-2161

Keene Monon, Inc.
Monon, Indiana

CTS Keene, Inc.
3230 Riverside Avenue
Paso Robles, California
(805) 238-0350

CTS de Mexico, S.A.
Morelos between 6th & 7th
Lauro Villar 378-, Km. 1
Matamoros, Mexico

CTS Components Taiwan, Ltd.
Central 6th Road (Chung Liu Road)
P.O. Box 26020
Kaohsiung, Taiwan

CTS Singapore Pte., Ltd.
Republic of Singapore

CTS of Bentonville
1300 S.E. 8th Street
Bentonville, Arkansas 72712

Transfer Agent(s):

St. Joseph Valley Bank
429 South Main Street
Elkhart, Indiana 46516

The Chase Manhattan Bank, N.A.
One Chase Manhattan Plaza
New York, New York 10004

Stock Exchange(s): New York

Ticker Symbol: CTS

Number of Employees:

1980	7,053	1977	7,182
1979	8,443	1976	7,042
1978	8,160		

Plant Footage:

1980	2,400,000 sq. ft.	1977	2,400,000
1979	2,400,000	1976	2,300,000
1978	2,400,000		

Sales and Earnings

	Net Sales	Net Income
1980	$187,977,000	$ 10,311,000
1979	187,951,000	10,991,000
1978	164,820,034	10,752,981
1977	153,527,921	11,840,018
1976	157,136,470	12,772,898

	No. of Com. Shares‡	Earn. per Share‡
1980	4,420,619	$2.33
1979	4,574,526	2.40
1978	4,530,023	2.37
1977	4,649,794	2.55
1976	4,674,868	2.73

‡ Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1980	1979
Electronic operations	$152,734,000	$155,422,000
Metal products	26,110,000	24,137,000
Other products	9,133,000	8,392,000
Total	$187,977,000	$187,951,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.825	—	—
1979	0.80	—	—
1978	0.70	—	—
1977	0.70	—	—
1976	0.60	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$106,705,000	$24.14
1979	102,507,000	22.41

1978	95,690,222	21.12
1977	88,402,514	19.01
1976	82,218,414	17.59

‡ Based on the weighted average number of shares outstanding.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 187,977,000	$ 187,951,000
Cost of sales	149,853,000	151,002,000
Expenses	21,087,000	18,646,000
Other income	(1,817,000)	(1,791,000)
Income before taxes	$ 18,854,000	$ 20,094,000
Income taxes	8,543,000	9,103,000
Net Income	$ 10,311,000	$ 10,991,000

* Included in Costs and Expenses, Depreciation and Amortization: $9,745,000 in 1980 and $8,745,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash & cert. of deposit	$ 11,692,000	$ 9,789,000
Marketable securities	4,129,000	1,095,000
Accts. receiv., net	24,133,000	23,086,000
Def. tax benefit	497,000	668,000
*Inventories	41,835,000	45,957,000
Prepaid expenses	823,000	651,000
Current Assets	$ 83,109,000	$ 81,246,000
# Fixed assets	39,888,000	40,392,000
Other assets	3,638,000	3,776,000
Total Assets	$ 126,635,000	$ 125,414,000

Liabilities

Accts. payable	$ 6,304,000	$ 8,451,000
Accruals	5,472,000	6,824,000
Accrued payroll	2,946,000	2,984,000
Dividends payable	993,000	915,000
Income taxes	3,381,000	3,733,000
Curr. Liabilities	$ 19,096,000	$ 22,907,000
Notes payable	834,000	—
+ Common stock	11,179,000	11,075,000
Add. paid-in capial	187,000	187,000
Retained earnings	115,399,000	108,730,000
Treasury stock	(20,060,000)	(17,485,000)
Total Liabilities & Shareholders' Equity	$ 126,635,000	$ 125,414,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	10.03	10.69
%Net Income to Sales	5.48	5.85
%Net Income to Equity	9.66	10.72
Sales to Inventories	4.49	4.09
Working Capital	$ 64,013,000	$ 58,339,000
Current Ratio	4.35	3.55
Shareholders' Equity	$ 106,705,000	$ 102,507,000

Cubic Corporation

9333 Balboa Avenue
San Diego, California 92123
(714) 277-6780

Officers: Walter J. Zable, president, chief exec. officer and chairman of the board; Prentice R. Loomis, senior vice president-finance, treasurer & vice chairman of the board; William Bruner, v.p.-legal, secretary & general counsel; Colvin C. Wellborn, v.p.-marketing & contracts administration; Louis G. Dameson, Jr. v.p.-corp. planning; James B. Jenkins, v.p.-contracts; Marlyn L. Hicks, v.p.; William J. Thompson, v.p.-development planning; Charles H. Cromer, corp. controller; William C. Stewart, Jr., asst. secretary & asst. general counsel.

Directors: Walter J. Zable, chairman, Prentice R. Loomis, Thomas Moran, Mark Miller, Jackson D. Arnold, Walter C. Zable, James M. Arnold.

Areas of Work: Simulation and training systems, navigational systems, surveying equipment, elevators, automated fare collection systems, oil exploration equipment, welding supplies, gases, safety equipment, power-tools. Radio communications equipment, electronic medical equipment, computer service bureau and micrographics.

Divisions and Subsidiaries:

Defense Systems Division
9333 Balboa Avenue
Dan Diego, California 92123
(714) 277-6780

Cubic Communications
30 Airport Road
Oceanside, California 92054
(714) 757-7525

Cubic Data Systems
8238 Ronson Road
San Diego, California 92111
(714) 560-7066

G.S. Parsons Companies
9010 Clairemont Mesa Boulevard
San Diego, California 92123
(714) 279-8200

U.S. Elevator
10728 U.S. Elevator Road
Spring Valley, California 92078
(714) 460-1000

Consolidated Cover Company
2601 Workman Mill Road
Whittier, California 90607
(213) 692-9421

Cubic Western Data
5650 Kearny Mesa Road
San Diego, California 92111
(714) 268-3100

Cubic Tiltman Langley Ltd.
(Associate Company: Westinghouse Cubic Limited)
177 Nutfield Road
Merstham, Surrey
England RH1 3HH

Transfer Agent(s):

Union Bank
Los Angeles, California

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: CUB

Number of Employees:

1980	3,500	1977	2,700
1979	3,200	1976	3,000
1978	3,200		

Plant Footage:

1980	1,000,000 sq. ft.	1977	850,000
1979	1,000,000	1976	750,000
1978	1,000,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 196,386,441	$ 8,151,019
1979	171,711,920	8,025,508
1978	143,499,764	7,760,080
1977	123,066,693	6,432,351
1976	110,100,950	4,786,663

	No. of Com. Shares #	Earn. per Share #
1980	2,964,000	$2.75
1979	2,961,000	2.71
1978	2,952,000	2.63
1977	2,952,000	2.17
1976	2,956,000	1.62

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1980 (000's)	%	1979 (000's)	%
Elevator products	$ 64,563	33%	$ 48,842	28%
Defense electronic systems	73,024	37	61,204	36
Fare collection systems	24,239	12	29,177	17
Other	34,560	18	42,489	19
Total	$196,386	100%	$171,712	100%

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$0.60	—	—
1979	0.60	—	—
1978	0.55	—	—
1977	0.42	—	4-for-3
1976	0.225	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 53,010,740	$17.93
1979	46,756,374	15.84
1978	40,574,971	13.78
1977	34,396,156	11.76
1976	29,411,406	10.03

‡ Adjusted to reflect stock split.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 196,386,441	$ 171,711,920
Interest income	468,165	372,965
Other income	497,060	492,432
Total income	197,351,666	172,577,317
Cost of sales	$ 151,141,715	$ 131,774,662
Expenses	27,574,403	23,139,595
Interest expense	3,204,543	2,510,830
Loss on for. curr. trans.	145,618	59,322
Income before taxes	$ 15,285,387	$ 15,092,908
Income taxes	7,134,368	7,067,400
Net Income	$ 8,151,019	$ 8,025,508

*Included in Costs and Expenses, Depreciation and Amortization: $3,884,068 in 1980 and $2,965,709 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 2,941,489	$ 2,382,048
Accts. receiv., net	59,818,862	53,959,958
*Inventories & costs of contracts	22,075,385	20,046,456
Deferred income taxes	224,365	1,024,754
Prepaid expenses	701,846	762,599
Current Assets	$ 85,761,947	$ 78,175,815
# Fixed assets	22,163,288	22,010,472
Other assets	2,524,186	3,541,221
Total Assets	$ 110,449,421	$103,727,508

Liabilities

Long-term debt, curr.	$ 418,378	$ 397,347
Accts. payable	12,186,245	1,750,289
Accrued payroll	5,575,148	4,874,155
Income taxes	13,434	1,287,295
Other taxes	482,145	419,543
Other liab.	1,087,206	2,386,054

Curr. Liabilities	$ 19,762,556	$ 20,114,683
Long-term debt	27,570,576	28,205,902
Deferred inc. taxes	10,105,549	8,650,549
+ Common stock	232,401	232,016
Add. paid-in capital	12,010,637	11,970,068
Retained earnings	40,767,702	34,554,290
Total Liabilities & Shareholders' Equity	$110,449,421	$103,727,508

*At lower of cost (LIFO and FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	7.78	8.79
%Net Income to Sales	4.15	4.67
%Net Income to Equity	15.38	17.16
Working Capital	$ 65,999,391	$ 58,061,132
Current Ratio	4.34	3.89
Shareholders' Equity	$ 53,010,740	$ 46,756,374

Curtiss-Wright Corporation

One Passaic Stret
Wood-Ridge, New Jersey 07075
(201) 777-2900

Officers: T. Ronald Berner, chairman and president; Charles E. Ehinger, Richard P. Sprigle, executive v.p.'s; David Lasky, sr. v.p. and general counsel; Morris A. Crausman, William T. Figart, Arnold F. Kossar, Gerald Nachman, John J. Rooney, v.p.'s; Francis E. Fallon, secretary; Martin A. Sherry, treasurer; John F. Staubach, controller.

Directors: T. Ronald Berner, chairman; S.D. Brinsfield, John S. Bull, Edward McSweeney, John B. Morris, William F. Raborn, Jr., Lloyd H. Smith, Dr. Jesse Werner, Edward E.White.

Areas of Work: Produces actuation and control devices for aerospace applications. Also produces electrical generating equipment for electric utilities. Other lines of business include: metal treating, air compressors, precision spring clutches, manual impact wrenches, seamless alloy pipe, safety relief valves, custom extruded shapes, jet engine parts, and servicing of gas generators, power turbines, and jet engines.

Subsidiaries:

Marquette Metal Products Company
400 South Main Street
Fountain Inn, South Carolina 29644

Metal Improvement Company
10 Forest Avenue
Paramus, New Jersey 07652

Target Rock Corporation
1966 East Broadhollow Road
East Farmingdale, New York 11735

Canadian Curtiss-Wright, Ltd. (66% owned)
1815 Sismet Road
Mississauga, Ontario L4W 1P9
Canada

Transfer Agent(s):

Citibank, N.A.
111 Wall Street
New York, New York, 10015

Commercial Trust Company of New Jersey
15 Exchange Place
Jersey City, New Jersey 07302

Stock Exchange(s): New York

Ticker Symbol: CW

Sales and Earnings

	Net Sales	Net Income
1980	$185,539,000	$ 39,746,000
1979	170,362,000	33,771,000
1978	167,954,000	17,547,000
1977	166,644,000	16,299,000
1976	191,838,000	19,078,000

	No. of Com. Share †	Earn. per Share †
1980	8,270,000	$4.75
1979	8,216,000	4.05
1978	8,263,000	2.06
1977	8,295,000	1.91
1976	8,391,000	2.21

† Based on the weighted average number of common shares outstanding during each year.

Revenues By Line of Business
(000's)

	1980	1979
Elec. generating Equip.	$ 38,900	$ 35,700
Industrial prods.	35,600	32,600
Nuclear	39,000	48,400
Aerospace	72,800	54,500

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.95	—	—
1979	0.80	—	—
1978	0.75	—	—
1977	0.60	—	—
1976	0.55	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1980	$280,839,000	$33.96
1979	248,488,000	30.24

‡ After allowing for Class A Stock at stated value.
† Based on the weighted average number of common shares outstanding during each year.

Income Account *
(000's)

Year ended Dec.31	1980	1979
Net sales	$ 185,539	$ 170,362
Eq.in earnings of assoc. cos.	26,244	24,122
Other income	16,686	7,626
Total revenues	$ 228,469	$ 202,110
Cost of sales & expenses:		
Prod. & eng.	135,960	128,143
Sell. & serv.	5,364	5,215
Adm. & gen.	28,056	20,368
Interest	8,575	8,177
Income before taxes	$ 50,514	$ 40,207
Income taxes	10,768	6,436
Net Income	$ 39,746	$ 33,771

* Included in Costs and Expenses, Depreciation: $4,750,000 in 1980 and $4,185,000 in 1979.

Assets
(000's)

As of Dec.31	1980	1979
Cash	$ 2,607	$ 2,077
Time deposits	28,199	4,173
Marketable securities	6,362	9,421
Accts. receiv., net	28,372	42,234
Unbilled charges	8,153	15,990
*Inventories	45,431	47,813
Other curr. assets	1,930	1,119
Current Assets	$ 121,054	$ 122,827
Investments in assoc.cos.	221,733	203,255
# Fixed assets	42,442	36,591
Other assets	19,967	16,643
Total Assets	$ 405,196	$ 379,316

Liabilities
(000's)

Notes payable	$ 5,922	$ 18,550
Accts. payable	8,458	8,857
Accrued comp.	5,035	5,045
Accruals	11,156	8,047
Income taxes	9,729	6,135
Advances & billings in exc. of cost	3,407	1,135
Other curr. liab.	6,815	7,539
Curr. Liabilities	$ 50,522	$ 55,308
Long-term debt	65,051	67,205
Deferred inc. taxes	6,467	6,083
Minority int.in subsid.	2,049	1,910
+ Class A stock	268	322
+ Common stock	9,824	9,755
Add. paid-in capital	60,133	59,813
Retained earnings	250,616	219,189
Treasury	(39,734)	(40,269)
Total liabilities & Shareholders' Equity	$ 405,196	$ 379,316

Statistical Summary

% Income bef. Taxes to Revenues	22.11	19.89
% Net Income to Revenues	17.40	16.71
% Net Income to Equity	14.14	13.57
Working capital	$ 70,532,000	$ 67,519,000
Current Ratio	2.40	2.22
Shareholders' Equity	$281,107,000	$248,810,000

Cushman Electronics, Inc.

4500 Campus Drive
Newport Beach, California 92660
(714) 540-6655

Officers: John F. Bishop, chairman of the board; Mark K. Howlett, vice chairman of the board; Joseph F. Swyt, president; Diane M. Maijala, v.p.-human resources; Henry A. Doust, v.p.-manufacturing; Hans D. Sylten, v.p.-product development; Jeffrey S. Cozens, chief financial officer; Hugh R. McDonald, secretary.

Directors: John F. Bishop, chairman of the board; J. Bradford Bishop, Burgess Dempster, Mark K. Howlett, Robert D. Johnson.

Areas of Work: Manufactures FM two-way radio test and maintenance equipment, telephone test instruments, and telephone transmission equipment.

Transfer Agent(s):

United California Bank
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CUSH (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1980	$ 16,021,000	$ 585,000
1979	13,910,000	449,000
1978	12,318,000	685,000
1977	11,517,000	650,000
1976	7,820,000	264,000

	No. of Com. Shares	Earn. per Share †
1980	1,069,000	$0.55
1979	1,069,000	0.42
1978	1,079,412	0.63
1977	1,079,412	0.60

† Based on weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 4,183,000	$3.91
1979	3,683,000	3.45
1978	3,174,000	2.94
1977	2,489,000	2.31

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 16,021,000	$ 13,910,000
Cost of sales	8,591,000	7,437,000
Expenses	6,222,000	5,480,000
Interest expense	126,000	199,000
Income before taxes	$ 1,082,000	$ 794,000
Income taxes	497,000	345,000
Net Income	$ 585,000	$ 449,000

*Included in Costs and Expenses, Depreciation and Amortization: $340,000 in 1980 and $353,000 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 278,000	$ 167,000
Accts. receiv., net	2,534,000	2,276,000
*Inventories	3,440,000	3,206,000
Prepaid expenses	52,000	83,000
Prepaid income taxes	359,000	365,000
Current Assets	$ 6,663,000	$ 6,097,000
Notes receivable	348,000	—
# Fixed assets	771,000	781,000
Other assets	228,000	95,000
Total Assets	$ 8,010,000	$ 6,973,000

Liabilities

	1980	1979
Long-term debt, curr.	$ —	$ 167,000
Short-term debt	975,000	1,200,000
Accts. payable	1,048,000	321,000
Accruals	1,730,000	1,234,000
Est. income taxes	27,000	—
Curr. Liabilities	$ 3,780,000	$ 2,922,000
Deferred compensation	—	35,000
Long-term debt	—	333,000
Deferred income taxes	47,000	—
+ Common stock	1,182,000	1,182,000
Retained earnings	3,001,000	2,501,000
Total Liabilities Shareholders' Equity	$ 8,010,000	$ 6,973,000

*At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	6.75	5.71
%Net Income to Sales	3.65	3.23
%Net Income to Equity	13.99	12.19
Sales to Inventories	4.66	4.34
Working Capital	$ 2,883,000	$ 3,175,000
Current Ratio	1.76	2.09
Shareholders' Equity	$ 4,183,000	$ 3,683,000

The Cyclotron Corporation

950 Gilman Street
Berkeley,California 94710
(415) 524-8670

Officers: Lowell H. Carlson, pesident & chairman of the board; George O. Hendry, v.p.; James A. Tanner, v.p. & secretary.

Directors: Lowell H. Carlson, W. Gould Jones, Richard R. Tavernetti, Walter F. Pettit, Ian S. Wishart.

Areas of Work: Manufactures and sells compact cyclotrons which provide beams of charged particles for use in nuclear medicine,neutron radiotheraphy, physics research, and nuclear chemistry. Also manufactures a nuclear magnetic resonance gaussmeter for extremely accurate measurements of magnetic fields and whole body radioisotope scanners.

Transfer Agent(s):

Bank of America NT & SA
World Headquarters Building
555 California Street
San Francisco, California 94137

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CYCC (NASDAQ)

Number of Employees:

1980	165	1978	99
1979	165		

Plant Footage:

1980 . . . . . . 58,000 sq. ft. 1979 58,000

Sales and Earnings

	Net Sales	Net Income +
1980	$ 10,097,080	$ 856,716
1979	8,087,308	957,568
1978	6,153,072	640,749
1977	3,399,357	281,239
1976	3,976,897	759,225

	No. of Com. Shares †	Earn. per Share + ‡
1980	1,170,062	$0.72
1979	1,156,830	0.80
1978	1,138,968	0.55
1977	1,111,568	0.25
1976	1,099,788	0.66

+ Including extraordinary gain of $223,500 ($0.19 per share) in 1976.
† Adjusted to reflect stock split.
‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	—
1978	—	—	—
1977	—	—	2-for-1
1976	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 4,611,620	$3.94
1979	3,658,500	3.16
1978	2,663,725	2.34
1977	1,978,727	1.78
1976	1,697,488	1.54

‡ Adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1980	1979
Net sales & revenues	$ 10,097,080	$ 8,087,308
Cost of sales & revenues	6,938,679	5,507,420
Expenses	1,823,246	1,346,951
Interest expense	56,439	17,369
Income before taxes	$ 1,278,716	$ 1,215,568
Income taxes	422,000	258,000
Net Income	$ 856,716	$ 957,568

* Included in Costs and Expenses, Depreciation: $157,880 in 1980 and $100,241 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 74,723	$ 78,719
Temporary cash investments	—	1,088,849
Accts. receiv., net	627,744	1,444,785
Contracts	3,939,048	2,090,386
*Inventories	334,183	616,526
Prepaid expenses	163,659	69,709
Lease receivable-curr.	93,000	—
Current Assets	$ 5,232,357	$ 5,388,974
#Fixed assets	2,698,131	2,601,321
Lease receivable	1,106,331	—
Investments	546,530	—
Defer. charges & other assets	177,772	117,766
Total Assets	$ 9,761,121	$ 8,108,061

Liabilities

	1980	1979
Long-term debt, curr.	$ 104,979	$ 3,400
Accts. payable	1,755,683	1,367,720
Notes payable	525,000	—
Accruals	630,887	528,791
Billing in excess of costs	521,779	2,153,120
Income taxes	90,841	83,362
Curr. Liabilities	$ 3,629,169	$ 4,131,393
Long-term debt	199,701	193,868
Deferred inc. taxes	222,300	124,300
Lease obligation	1,098,331	—
+ Common stock	1,097,835	1,089,232
Add. paid-in capital	544,070	456,269
Retained earnings	2,969,715	2,112,999
Total Liabilities & Shareholders' Equity	$ 9,761,121	$ 8,108,061

* At lower of cost or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

	1980	1979
%Income before Taxes to Sales & Revenues	12.66	15.03
%Net Income to Sales & Revenues	8.48	11.84
%Net Income to Equity	18.58	26.17
Working Capital	$ 1,603,188	$ 1,257,581
Current Ratio	1.44	1.30
Shareholders' Equity	$ 4,611,620	$ 3,658,500

Daedalus Enterprises, Inc.

300 Parkland Plaza
Ann Arbor, Michigan 48106
(313) 769-5649

Officers: Paul R. Trigg, Jr., chairman of the board; Alan K. Parker, president; Thomas Casoglos, vice president-finance, secretary & treasurer; Ford L. Wright, v.p.-engineering; Thomas R. Ory, v.p.-marketing.

Directors: Paul R. Trigg, Jr., chairman; Alan K. Parker, Hansford W. Farris, Thomas Casoglos, Eugene B. Power, John F. Towson.

Areas of Work: Manufactures remote sensing devices. The principal products are scanner systems which are installed in aircraft for acquisition of remote sensing data. This data is subsequently processed on the ground by the company's data handling equipment. The information derived from the airborne sensor and processed by the ground stations is used for monitoring and measuring water pollution; for oil, mineral and geothermal exploration; for heat budget and energy loss studies; and for the evaluation of other environmental quality related problems.

Transfer Agent(s):

Michigan National Bank
Grand Rapids, Michigan

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income
1980	$ 1,646,182	$ (64,744)
1979	2,502,513	186,834
1978	3,530,249	430,069
1977	2,206,715	170,946
1976	1,962,914	286,093

	No. of Com. Shares	Earn. Per Share ‡
1980	506,984	$ —
1979	504,984	0.37
1978	502,484	0.86
1977	501,984	0.34
1976	501,984	0.57

(Loss)
‡ Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.08	—	—
1979	0.15	—	—
1978	0.12	—	—
1977	0.09	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,867,120	$3.68
1979	1,967,923	3.90
1978	1,851,016	3.68
1977	1,480,105	2.95
1976	1,354,337	2.70

Income Account *

Year ended July 31	1980	1979
Net sales	$ 1,646,182	$ 2,502,513
Interest income	—	34,586
Total income	$ 1,646,182	$ 2,537,099
Cost of sales	844,384	1,357,055
Expenses	938,750	861,742
Interest expense	5,792	36,468
Income (loss) before taxes	$ (142,744)	$ 281,834
Income taxes (credit)	(78,000)	95,000
Net Income (Loss)	$ (64,744)	$ 186,834

*Included in Costs and Expenses, Depreciation: $63,101 in 1980 and $68,158 in 1979.

Assets

As of July 31	1980	1979
Cash	$ 121,709	$ 52,729
Accts. receiv., net	406,612	1,765,009
*Inventories	1,337,700	851,727
Prepaid expenses	12,216	21,698
Current Assets	$ 1,878,237	$ 2,691,163
# Fixed assets	1,601,061	202,640
Other assets	4,718	14,955
Total Assets	$ 3,484,016	$ 2,908,758
Liabilities		
Notes payable	$ 150,000	$ 100,000
Long-term debt, curr.	7,200	—
Accts. payable	176,087	359,594
Accruals	41,519	93,934
Accrued payroll	118,491	123,509
Income taxes	155,798	105,798
Deferred income taxes	—	150,000
Curr. Liabilities	$ 649,095	$ 932,835
Long-term debt	948,801	—
Deferred income taxes	19,000	8,000
+ Common stock	5,069	5,049
Add. paid-in capital	862,927	858,447
Retained earnings	999,124	1,104,427
Total Liabilities & Shareholders' Equity	$ 3,484,016	$ 2,908,758

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	11.26
%Net Income to Sales	—	7.47
%Net Income to Equity	—	9.49
Sales to Inventories	1.23	2.94
Working Capital	$ 1,229,142	$ 1,758,328
Current Ratio	2.89	2.88
Shareholders' Equity	$ 1,867,120	$ 1,967,923

Damon Corporation

115 Fourth Avenue
Needham Heights, Massachusetts 02194
(617) 449-0800

Officers: David I. Kosowsky, president; Allan B. Beitchman, sr. v.p.; James S. Kennedy, Jr., sr. v.p.-medical services; Edward B. Lurier, sr. v.p.-products; Vernon F. Sherman, Jr., v.p. & treasurer; Frank J. Angiulo, Robert P. Schneider, Paul J. Vasington, James L. Dorsey, Leonard Fuhrer, D. Joseph Powell, v.p.'s; David L. Steele, v.p. & controller; Jay H. Meltzer, v.p., general counsel & secretary.

Directors: David I. Kosowsky, Allan B. Beitchman, Peter A. Brooke, Charles C. Cunningham, Jr., Charles L. Lea, Jr., Jerome B. Wiesner, James S. Kennedy, Jr., Edward B. Lurier.

Areas of Work: Damon operates the largest network of pathologist-directed clinical laboratories in the world, with 19 regional laboratories with facilities in 11 states and Mexico. The company also manufactures medical instrumentation, including hematology counters, centrifuges, ultracentrifuges, microtomecryostats and cytoglomeratos; biologicals, pharmaceuticals, surgical instruments, sanitizers and disinfectants and feed additives for the animal health market; pharmaceuticals for hospitals and pharmacies; electronic frequency control devices and systems, components for biomedical instrumentation; educational devices for curriculum programs in the vocational arts, the sciences and mathematics; educational learning games and hobby products; several units in the Los Angeles area performing kidney dialysis services.

Divisions and Subsidiaries:

Bernstein-Kremen Laboratory
16260 Ventura Boulevard
Encino, California 91316

Blanchard-Dickson Labs, Inc.
425 West Junipero Street
Santa Barbara, California 93105

Damon Medical Laboratory, Inc.
115 Fourth Avenue
Needham Heights, Massachusetts 02194

Damon Biotech
115 Forth Avenue
Needham Heights, Massachusetts 02194

Center for Laboratory Medicine
3190 Tremont Avenue
Trevoise, Pennsylvania 19047

The Diagnostic Laboratories, Inc.
P.O. Box 29016
Phoenix, Arizona 85038

Geleris-Harris Laboratories
P.O. Box 799
Glendora, California 91704

Lattimore-Fink Laboratories, Inc.
Medical Arts Building
Topeka, Kansas 66604

Louisvlle Medical Laboratory, Inc.
1001 Dupont Square
Louisville, Kentucky 40207

Mason-Barron Laboratories, Inc.
4720 West Montrose Avenue
Chicago, Illinois 60641

Mason-Barron Laboratories, Inc.
143 South Lincoln Avenue
Aurora, Illinois 60505

Medical Laboratory Associates
1025 South 18th Street
Birmingham, Alabama 35205

The Medical Laboratory, Inc.
850 Madison Street
Huntsville, Alabama 35801

Medical Laboratory Services, Inc.
5105 Manatee Avenue
Bradenton, Florida 33505

Pathology Associates, Inc.
5415 Laurel Boulevard
Tampa, Florida 33607

Sonoma Pathology Group, Inc.
165 West Nappa Street
Sonoma, California 95476

Southland Clinical Laboratories, Inc.
4955 Van Nuys Boulevard
Sherman Oaks, California 91403

Southwest Medical Laboratories, Inc.
1923 West Park Street
Irving, Texas 75061

Ushawl, Inc
434 North Rodeo Drive
Beverly Hills, California 90210

Labororios Clinicos de Mexico, S.A. de C.V.
Frontera 32
Colonio Roma, Mexico 7, D.F.

Reference Laboratory
1101 Rancho Conejo Boulevard
Newbury Park, California 91320

Southwest Medical Laboratories, Inc.
1923 W. Park Street
Irving, Texas 75060

Products Group:

Educational & Hobby Division

Damon Institutional Systems
80 Wilson Way
Westwood, Massachusetts 02090

Arrow Handicraft Corporation
900 West 45th Street
Chicago, Illinois 60609

Centuri Engineering Co., Inc.
3057 West Fairmount Avenue
Phoenix, Arizona 85001

Estes Industries, Inc.
P.O. Box 227
Penrose, Colorado 81240

The Hi-Flier Manufacturing Co.
510 Wabash Avenue
Decatur, Illinois 62523

Electronics Division

Damon Electronics Division
80 Wilson Way
Westwood, Massachusetts 02090

IEC Division

Damon-International Equipment Co.
300 Second Avenue
Needham Heights, Massachusetts 02194

Veterinary & Pharmaceutical Division

Damon - Veterinary & Pharmaceutical Division
115 Fourth Avenue
Needham Heights, Massachusetts 02194

Evsco Pharmaceutical Corporation
P.O. Box 209
Buena, New Jersey 08310

Ideal Instruments, Inc.
607 North Western Avenue
Chicago, Illinois 60612

Vineland Laboratories, Inc.
2285 East Landis Avenue
Vineland, New Jersey 08360

Vista Laboraories, Inc.
P.O. Box 1029
Christianstad, St. Croix, Virgin Islands 00829

Vin-Mex. S.A.
Roberto Gayol No. 1255 Planta Baja
Col. del Vale, Mexico 12, D.F.

Diagnostic Products Division

Damon - Diagnostic Products Division
115 Fourth Avenue
Needham Heights, Massachusetts 02194

Lyne Laboratories
44 Cummings Park
Woburn, Massachusetts 01801

Transfer Agent(s):

The First National Bank of Boston
One Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): New York, London

Ticker Symbol: DMN

Number of Employees:

1980	4,000	1977	4,500
1979	4,000	1976	4,600
1978	4,500		

Plant Footage:

1980	1,000,000 sq. ft.	1977	1,100,000
1979	1,000,000	1976	1,300,000
1978	1,000,000		

Sales and Earnings

	Net Sales ‡ +	Net Income †
1980	$137,434,404	$ 2,521,615
1979	130,891,771	519,353
1978	131,895,850	218,563
1977	130,182,490	(1,640,259)
1976	128,836,476	1,176,407

	No. of Com. Shares #	Earn. per Share †
1980	6,463,000	$0.39
1979	6,505,000	0.08
1978	6,682,000	0.03
1977	6,806,000	—
1976	6,919,000	0.17

(Loss)
‡ Includes sales of services and products.
+ Of continuing operations only.
# Based on the weighted average number of common shares outstanding.
† Including extraordinary income of $211,609 ($0.03 per share) in 1980 and $56,000 ($0.01 per share) in 1976.

Revenues By Line of Business

	1980	1979	1978	1977
Medical services	52%	51%	58%	59%
Medical instrumentation	17	15	14	13
Veterinary products	14	14	13	13
Hobby & educational products	17	20	15	15
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.20	—	—
1979	0.20	—	—
1978	0.20	—	—
1977	0.20	—	—
1976	0.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 54,981,534	$8.52
1979	53,948,790	8.30
1978	55,516,665	8.31
1977	57,653,010	8.47
1976	61,599,197	8.90

Income Account *

Year ended Aug. 31	1980	1979
Net sales of serv. & prods.	$137,434,404	$130,891,771
Cost of sales	89,504,548	88,002,143
Expenses	38,813,137	36,213,811
Prov. for doubtful accts.	2,302,551	2,689,803
Res. & develop. exp.	2,446,674	2,523,428
Interest expense	799,488	550,233
Income before taxes	$ 3,568,006	$ 912,353
Income taxes	1,258,000	393,000
Net Income	$ 2,310,006	$ 519,353
Extraord. gain	211,609	—
Net Income & Extraord. Gain	$ 2,521,615	$ 519,353

* Included in Costs and Expenses, Depreciation and Amortization: $5,024,418 in 1980 and $4,665,803 in 1979.

Assets

As of Aug. 31	1980	1979
Cash	$ 4,121,350	$ 4,318,525
Marketable securities	6,826,017	7,879,519
Accts. receiv., net	26,330,776	28,932,333
*Inventories	24,370,882	19,816,266
Prepaid expenses	1,898,338	2,061,158
Current Assets	$ 63,547,363	$ 63,007,801
# Fixed assets	36,519,708	33,538,583
Other assets	1,031,817	1,999,113
Intangibles	6,508,774	6,440,156
Total Assets	$107,607,662	$104,985,653

Liabilities

Notes payable & long-term debt, curr.	$ 1,743,170	$ 1,250,804
Accts. payable	5,736,504	5,848,571
Accruals	10,205,769	9,098,542
Dividends payable	321,969	324,522
Income taxes	4,037,337	4,065,771
Curr. Liabilities	$ 22,044,749	$ 20,588,210
Mortg. & notes payable	9,617,115	8,536,660
5¼% conv. subord. deben.	16,153,000	17,040,000
Long-term debt	3,333,287	2,587,552
Deferred inc. taxes	1,477,977	2,284,441
+ Common stock	1,613,800	1,625,336
Add. paid-in capital	11,492,491	11,683,819
Retained earnings	41,875,243	40,639,635
Total Liabilities & Shareholders' Equity	$107,607,662	$104,985,653

* At lower of average cost or market.
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.61	0.70
%Net Income to Sales	1.68	0.40
%Net Income to Equity	4.20	0.96
Working Capital	$ 41,502,614	$ 42,419,591
Current Ratio	2.88	3.06
Shareholders' Equity	$ 54,981,534	$ 53,948,790

Daniel Industries, Inc.

One Riverway Drive, Suite 2200
P.O. Box 19097
Houston, Texas 77024
(713) 960-1300

Officers: W.A. Griffin, chairman of the board & president; Robert H. Clemens, Jr., Robert E. Harris, Jr., Rex W. Landry, v.p.'s; H.O. Morrison, Jr., secretary-treasurer; W.C. Clingman, v.p.-information services; Louis F. Crane, v.p.-finance.

Directors: W.A. Griffin, William C. Morris, Dr. James M. Sharp, Howard Wolf, James R. Moffett, Joseph L. Parrish, James R. Whatley.

Areas of Work: Engaged in the manufacture, sale and servicing of orifice fittings, turbine meters, meter tubes, valves and related mechanical and electronic products for the measurement and control of fluid flows (liquid and gases), and in the engineering and fabrication of integrated metering systems. Also manufactures and markets alloy stud bolts, and manufactures and sells water handling equipment including pumps, tanks and plastic pipe.

Divisions and Subsidiaries:

Systems Engineering Division
9525 Katy Road, Suite 450
Houston, Texas 77024
(713) 467-1690

Bolt and Nut Division
P.O. Box 292
Houston, Texas 77001
(713) 224-5811

Pump and Equipment Division
P.O. Box 21186
Houston, Texas 77026
(713) 695-5871

Instrumentation Services Division
9424 Emnora
Houston, Texas 77080
(713) 461-9806

Daniel Industries Limied
Lochlards Industrial Estates
Larbert-Stirlingshire FK5 3NS
Falkirk, Scotland

M & J Valve Division
Houston, Texas

Maufacturer of large, fabricated gate valves used on both gas and liquid pipelies and high-pressure industrial processing systems.

Production Specialties Division

Manufacturing and marketing of gas lift equipment and wireline tools used by oil producers in secondary crude oil recovery operations.

Flow Products Division
Produces equipment for accurately measuring gas and crude oil.

Transfer Agent(s):

The Chase Manhattan Bank N.A.
New York, New York

Daniel Industries, Inc.

Bank of the Southwest N.A.
Houston, Texas

Stock Exchange(s): New York

Ticker Symbol: DAN

Number of Employees:

1980 . . . . . . 2,135 1978 1,921
1979 2,135

Plant Footage:

1980 . . . . . . 655,809 sq. ft. 1978 655,809
1979 655,809

Sales and Earnings

	Net Sales	Net Income
1980	$155,849,443	$ 9,335,787
1979	120,608,677	7,099,798
1978	96,165,057	6,147,305
1977	71,220,168	5,561,752
1976	71,207,940	6,306,054

	No. of Com. Shares ‡	Earn. per Share ‡
1980	3,420,981	$2.73
1979	3,429,050	2.07
1978	3,411,449	1.80
1977	3,403,500	1.63
1976	3,400,201	1.85

‡ Based on the average number of shares outstanding adjusted to reflect stock dividends.

Revenues By Line of Business
(000's)

	1980	1979
Fluid measurement prods. & systems	$ 102,265	$ 76,623
Stud bolts & nuts	16,736	11,145
Pipeline valves	26,041	21,026
Other	11,593	12,476

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.28	5%	—
1979	0.23	5%	—
1978	0.18	15%	—
1977	0.14	15%	—
1976	0.10	15%	—

‡ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 69,778,458	$18.29
1979	43,925,295	12.94
1978	38,470,938	11.26
1977	32,877,885	9.65
1976	27,794,696	8.17

‡ Adjusted to reflect stock dividends.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$155,849,443	$120,608,677
Other income	785,397	659,899
Net revenues	$156,634,840	$121,268,576
Cost of sales	99,815,244	74,150,872
Expenses	36,657,986	30,065,538
Prof. sh. plan & pension trusts	2,290,122	2,098,911
Interest expense	2,860,701	2,915,457
Income before taxes	$ 15,010,787	$ 12,037,798
Income taxes	5,675,000	4,938,000
Net Income	$ 9,335,787	$ 7,099,798

* Included in Costs and Expenses, Depreciation: $2,544,241 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 1,555,489	$ 1,931,659
Investments	12,402,174	18,682
Accts. receiv., net	20,002,458	21,672,008
Other receiv.	918,797	810,579
Costs & earnings in excess of billings	11,631,931	1,514,683
* Inventories	35,614,646	35,295,061
Other assets	348,798	373,943
Current Assets	$ 82,474,293	$ 61,616,615
# Fixed assets	32,063,604	28,640,796
Other assets	886,112	399,456
Intangibles	2,415,785	3,086,588
Total Assets	$117,839,794	$ 93,743,455

Liabilities

	1980	1979
Notes payable	$ 1,123,271	$ 2,367,819
Accts. payable	9,288,954	11,617,869
Accruals	8,554,038	7,138,062
Income taxes	1,221,380	1,050,201
Billings excess of est. earnings	—	1,182,426
Deferred inc. taxes	1,994,069	778,717
Curr. Liabilities	$ 22,181,712	$ 24,135,094
Long-term debt	23,137,024	23,010,295
Minority interest	24,013	52,832
Deferred inc. taxes	2,718,587	2,619,939
+ Common stock	9,648,413	8,197,025
Add. paid-in capital	44,983,824	25,428,549
Retained earnings	16,081,221	11,234,721
Treasury stock	(935,000)	(935,000)
Total Liabilities & Shareholders' Equity	$117,839,794	$ 93,743,455

* Domestic inventories at LIFO; foreign inventories based on a moving average.
# Less accumulated depreciation.
+ $2.50 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Revenues	9.58	9.93
%Net Income to Revenues	5.96	5.85
%Net Income to Equity	13.38	16.16
Working Capital	$ 60,292,581	$ 37,481,521
Current Ratio	3.72	2.55
Shareholders' Equity	$ 69,778,458	$ 43,925,295

Dash Industries, Inc.

(formerly David and Dash, Inc.)

2445 North Miami Avenue
Miami, Florida 33137
(305) 573-8000

Officers: Philip Dash, president; Jay Dash, executive v.p.; Martin Blumenthal, exec. v.p. & secretary-treasurer; Robert J. McAndrews, v.p.

Directors: Philip Dash, Jay Dash, Martin Blumenthal, Alan Solmon, Robert J. McAndrews.

Business Activities: Engaged in the production and marketing of fabric and wallcovering products. Also engaged in the manufacture of main frame computers.

Subsidiaries:

David and Dash International, Inc.
2445 N. Miami Avenue
Miami, Florida 33137

Cascade Data, Inc.
6300 28th Street S.E.
Grand Rapids, Michigan 49506

D & D Wallcoverings, Inc.
Cascade Leasing Corp.
Cascade Data Marketing, Inc.
Cascade Data International, Inc.

Transfer Agent(s):

Trust Company of New Jersey
35 Journal Square
Jersey City, New Jersey 07306

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DASH (NASDAQ)

Number of Employees:

1980 215

Plant Footage:

1980 . . . . . . 105,000 sq. ft.

Sales and Earnings

	Net Sales	Net Income
1980	$ 15,038,268	$ 105,627
1979	12,535,233	352,212
1978*	11,776,500	251,429
1977	11,222,510	(54,445)
1976	8,642,439	(24,084)

	No. of Com. Shares‡	Earn. per Share‡
1980	6,095,645	$0.02
1979	5,059,021	0.07
1978	5,033,650	0.05
1977	4,770,810	—
1976	4,770,810	—

(Loss)
* 53 weeks.
‡ Based on average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	5-for-1

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 4,378,746	$0.72
1979	3,008,626	0.59
1978	2,656,414	0.53

† Based on average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *

Year ended Nov. 30	1980	1979
Net sales	$ 15,038,268	$ 12,535,233
Cost of sales	9,006,477	7,568,261
Expenses	5,291,822	3,955,228
Interest expense	634,342	494,532
Income before taxes	$ 105,627	$ 517,212
Income taxes	—	165,000
Net Income	$ 105,627	$ 352,212

* Included in Costs and Expenses, Depreciation and Amortization: $272,649 in 1980 and $108,069 in 1979.

Assets

As of Nov. 30	1980	1979
Cash	$ 409,336	$ 524,695
Accts. & notes receiv., net	2,100,056	2,165,486
Prepaid expenses	111,480	88,540
Refundable inc. taxes	—	196,288
*Inventories	5,359,234	4,019,808

Current Assets	$ 7,980,106	$ 6,994,817
# Fixed assets	1,925,355	911,642
Other assets	1,040,134	154,638
Total Assets	$ 10,945,595	$ 8,061,097

Liabilities

Notes payable	$ 800,000	$ 200,000
Long-term debt, curr.	567,005	378,120
Accts. payable	2,071,994	1,849,575
Accruals	756,892	609,278
Inc. taxes payable	—	112,968
Curr. Liabilities	$ 4,195,891	$ 3,149,941
Long-term debt.	2,336,110	1,902,530
Deferred income	34,848	—
+ Common stock	3,821	3,180
Add. paid-in capital	2,030,078	766,226
Retained earnings	2,344,847	2,239,220
Total Liabilities & Shareholders' Equity	$ 10,945,595	$ 8,061,097

* At cost (LIFO) which is lower than market.
# Less accumulated depreciation and amortization.
+ $.00066 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.70	4.13
%Net Income to Sales	0.70	2.81
%Net Income to Equity	2.41	11.71
Sales to Inventories	2.81	3.12
Working Capital	$ 3,784,215	$ 3,844,876
Current Ratio	1.90	2.22
Shareholders' Equity	$ 4,378,746	$ 3,008,626

Data Access Systems, Inc.

Cole Road & Camden Avenue
P.O. Box 1230
Blackwood, New Jersey 08012
(609) 228-0700

Officers: Gerald R. Cicconi, chairman of the board, president, & chief executive officer; Howard B. Crystal, group v.p.-marketing; Michael J. Haggerty, v.p.- administration; Benedict H. Paraton., exec. v.p. - operations; James T. Simpson, v.p. - finance, chief financial officer, & secretary-treasurer; Forrest J. Robinson, regional v.p. - Central Region; Michael F. Schrider, regional v.p. - Eastern Region; John Schlagel, v.p. - field services; Robert Turmala, regional v.p. - Western Region; Paul J. Scott, v.p. - mfg.; Jan Valvo, asst. v.p.- personnel; Mark W. Goldman, v.p.- wholesale division; Wayne P. Henry, controller.

Directors: Gerald R. Cicconi, chairman; Robert T. Coppoletta, Philip Hartley, Robert B. Franklin, Paul Matzko, Frank Lockwood.

Areas of Work: Markets a variety of computer-oriented communication terminal systems for data transmission over ordinary telephone lines for remote access to other systems and computers.

Divisions:

Authorized Terminal Dealer Division
Provides wholesale distribution of the company's products.

Subsidiaries:

Data Leasing Systems, Inc.
Environmental Electromagnetic Shielding Corporation

International Computer Equipment Company
Computer terminal supplier.

Met-Fab Corporation
Pennsauken, New Jersey
Manufactures computer related metal fabricated products.

Transfer Agent(s):

National State Bank
P.O. Box 1560
Elizabeth, New Jersey 07207

Stock Exchange(s): American

Ticker Symbol: DAC

Number of Employees:

1980	200	1978	200
1979	200		

Plant Footage:

1980 ...... 63,000 sq.ft.

Sales and Earnings

	Net Sales †	Net Income ‡
1980	$ 37,241,676	$ 5,148,355
1979	28,153,475	3,414,573
1978	16,100,945	1,116,770
1977	6,601,100	690,538
1976	4,503,773	608,830

	No. of Com. Shares	Earn. per Share #‡
1980	2,712,061	$1.82
1979	2,439,687	1.25
1978	2,001,380	1.21
1977	679,130	0.70
1976	679,130	0.81

† Of continuing operations only.
‡ Including extraordinary gain of $357,275 ($0.13 per share) in 1980.
# Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 20,615,208	$7.60
1979	15,314,790	6.28
1978	7,625,506	3.91
1977	3,004,346	4.42
1976	2,286,102	3.37

Income Account *

Year ended Aug. 31	1980	1979
Net sales	$ 37,241,676	$ 28,153,475
Cost of sales	21,954,099	16,632,700
Expenses	7,921,268	6,030,720
Long-term capital gain	(838,383)	—
Interest expense	1,178,528	956,578
Income before taxes	$ 7,026,164	$ 4,533,468
Income taxes	2,441,700	1,445,300
Extraordinary gain	(357,275)	—
Minority interest	(206,616)	(326,405)
Net Income & Extraord. Gain	$ 5,148,355	$ 3,414,573

Assets

As of Aug. 31	1980	1979
Cash	$ 1,774,572	$ 3,437,094
Accts. receiv. net.	10,534,421	4,995,930
*Inventories	10,567,036	4,369,345
Other current assets	1,468,201	924,510
Current Assets	$ 24,344,230	$ 13,726,879
# Fixed assets	18,181,575	12,529,455
Other assets	5,485,444	4,584,335
Total Assets	$ 48,011,249	$ 30,840,669

Liabilities

Notes payable	$ 500,000	$ 1,200,000
Long-term debt. curr.	173,900	144,771
Accts. payable	6,243,587	3,363,822
Accruals	1,364,480	991,403
Income taxes	1,596,260	1,055,719
Deferred income	177,005	392,674
Curr. Liabilities	$ 10,055,232	$ 7,148,389
Long-term debt	16,210,085	7,384,670
Deferred inc. taxes	1,130,724	992,820
+ Common stock	138,950	137,625
Add. paid-in capital	10,161,939	10,488,801
Retained earnings	10,751,573	6,726,164
Treasury stock	(437,254)	(2,037,800)
Total Liabilities & Shareholders' Equity	$ 48,011,249	$ 30,840,669

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.05 per value.

Statistical Summary

Sales to Inventories	3.52	6.44
Working Capital	$ 14,288,998	$ 6,578,490
Current Ratio	2.42	1.92
Shareholders' Equity	$ 20,615,208	$ 15,314,790

Data Card Corporation

11111 Bren Road West
Minnetonka, Minnesota 55343

Mailing address:

P.O. Box 9335
Minneapolis, Minnesota 55440
(612) 933-1223

Officers: Willis K. Drake, chairman of the board & chief executive officer; C. Thomas Deere, president & chief operating officer; William T.Price, sr. v.p.-finance & adm.; C.M. Frank, v.p.-Troy Div.; Robert J. Keyport, v.p.-Customer Service Div.; Gene Anderson, v.p.-Plastics Div.; Robert E. Lewis, v.p.-business development; Robert J. Price, v.p.-Orbitran Div.; William N. Sites, treasurer; Kenneth D. Anderson, controller & asst. secretary; Douglas F. Schmid, Derek J. Cowen, asst. treasurers; O.C. Boxall, vice president; Robert J. Johnson, secretary.

Directors: Willis K. Drake, chairman, Donald L. Lucas, John Riede, Roger W. Staehle, C.T. Deere, O.C. Boxall, Eugene Olson, Charles F. West, Joseph I. Rose, James P. McFarland.

Areas of Work: Manufacturer of computer-like, electromechanical equipment for embossing and encoding credit, cash and identification cards. Encoding techniques available include magnetic stripe, hole punching, optical bar codes and optical character printing. Systems have been installed internationally by banks, airlines, major retailers, petroleum companies, travel and entertaiment services, health and automobile associations, government agencies and other issuers of plastic cards. The Orbitran Division manufactures electronic computing scales and scale systems for shipping and mail rooms.

Divisions and Subsidiaries:

Canadian Data Card Limited
155 University Avenue
Suite 701
Toronto, Ontario, Canada
(416) 862-0379

Data Card (U.K.) Limited
Havant, England

Data Card France S.A.R.L.
Paris, France

Orbitran
Lakeside, California

Data Card de Mexico
Mexico City, Mexico

Data Card GmbH
Frankfurt, Germany

Troy Division
Santa Ana, California

Data Card International Limited
Chichester, England

Data Card Corporation

Plastics Division
Buena Park, California

Transfer Agent(s):

First Trust Company
St. Paul, Minnesota

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DATC (NASDAQ)

Number of Employees:

1981	1,640	1978	1,240
1980	1,633	1977	1,045
1879	1,310		

Plant Footage:

1979	123,500 sq.ft.	1977	70,000
1978	126,000	1976	60,000

Sales and Earnings

	Revenues ‡	Net Income
1981	$ 75,366,000	$ 6,372,000
1980	66,273,000	7,014,000
1979*	48,087,000	4,091,000
1978	36,086,000	2,387,000
1977	23,036,000	1,560,000

	No.of Com. Shares †	Earn.per Share †
1981	5,462,000	$1.17
1980	4,961,000	1.41
1979	4,538,000	0.90

*53 weeks.
‡ Of continuing operations only.
† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$0.22	—	3-for-2 +
1980	0.14	—	—
1979	0.093	—	—
1978	0.083	—	—
1977	0.053	—	3-for-2 +

+ In the form of a stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1981	$ 39,094,111	$7.16
1980	34,219,966	6.90
1979	21,422,232	4.72

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *

Year ended	3/28/81	3/29/80
Revenues	$ 75,365,915	$ 66,272,973
Cost of sales, services & rentals	48,228,652	39,083,921
Expenses	14,991,069	14,305,177
Product devel.costs	2,846,456	1,712,364
Interest expense	752,419	1,102,002
Interest income	(1,053,385)	(1,204,976)
Income before taxes	$ 9,600,356	$ 11,274,485
Income taxes	3,228,000	4,260,000
Net Income	$ 6,372,356	$ 7,014,485

* Included in Costs and Expenses, Depreciation: $2,197,021 in 1981 and $1,497,822 in 1980.

Assets

As of	3/28/81	3/29/80
Cash	$ 1,054,105	$ 407,334
Marketable securities	1,500,000	10,179,292
Accts. receiv. net	15,640,024	14,340,143
Net Investment	2,220,813	2,014,106
* Inventories	19,782,081	15,657,834
Prepaid expenses	412,982	1,010,717
Current Assets	$ 40,610,005	$ 43,609,426
Investment	5,684,599	3,269,400
# Fixed assets	13,335,196	10,657,768
Intangibles	404,474	235,794
Total Assets	$ 60,034,274	$ 57,772,388

Liabilities

Notes payable	$ 292,727	$ 423,977
Long-term debt. curr.	216,229	573,468
Accts. payable	4,593,743	6,868,863
Accruals	4,370,553	4,395,063
Cust. deposits	1,787,646	1,106,942
Deferred inc.taxes	582,180	1,142,473
Income taxes	2,253,056	2,958,183
Curr. Liabilities	$ 14,096,134	$ 17,468,969
Deferred inc.taxes	2,888,222	1,792,764
Long-term debt	3,955,807	4,290,689
+ Common stock	544,462	362,598
Add paid-in capital	18,311,964	18,450,159
Retained earnings	20,402,661	15,407,209
Treasury stock	(164,976)	—
Total Liabilities Shareholders' Equity	$ 60,034,274	$ 57,772,388

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	12.74	20.71
%Net Income to Revenues	8.46	12.89
%Net Income to Equity	16.30	20.50
Working Capital	$ 26,513,871	$ 26,140,457
Current Ratio	2.88	2.50
Shareholders' Equity	$ 39,094,111	$ 34,219,966

Data General Corporation

4400 Computer Drive
Westboro, Massachusetts 01580
(617) 366-8911

Officers: Edson D. deCastro, president; Paul D. Stein, v.p.-manufacturing; Herbert J. Richman, sr. v.p.-marketing; James P. Campbell, v.p.-administration; Frank M. Keany, v.p.-North American Sales; Rowland H. Thomas, Jr., v.p.-Americas/Far East; William D. Jobe, v.p. North American Sales General Distribution Division; Jeffrey C. Kalb, v.p.-engineering; Raymond Fortune, v.p.-Europe; Kenneth V. Jaeggi, v.p & chief financial officer; Thomas O. Cook, v.p.-field engineering division; Lawrence Seligman, v.p.-small busness systems; Michael Schneider, v.p.-systems division; Barry J. Fidelman, v.p.-product marketing; George D. McClelland, treasurer; Frederick Adler, secretary.

Directors: Edson D. deCastro, Henry Burkhardt III, Herbert J. Richman, Frederick R. Adler, Allan S. Gordon.

Areas of Work: Designs, manufactures and markets a variety of small and medium scale general purpose digital computers, software packages, electro-mechanical peripheral equipment, electronic controllers and interfaces and related products.

Subsidiaries:

Datagen, Inc.
Data General ApS
Data General Costa Rica, Inc.
Data General Latin America, Inc.
Data General New Zealand Limited
Data General OY
Data General Philippines, Inc.
Data General (Canada) Limited
Datagen Investment Trust
Data General Commercial System, Inc.
Data General International Sales Corporation
Data General Investment Corporation
Data General Limited (United Kingdom)
Data General GmbH (Germany)
Data General Computers Gesellschaft M.B.H. (Austria)
Data General France SARL
Data General Holland BV
Data General Australia Pty. Ltd.
Data General Sweden AB
Data General Israel, Ltd.
Data General Hong Kong, Ltd.
Data General A.G. (Switzerland)
Data General Europe, Inc.
Data General Ltda. (Brazil)
Data General S.A. (Belgium)
Data General C.A. (Venezuela)
Data General A/S (Denmark)
Data General Thailand Limited
Data General S.P.A. (Italy)
Data General Importing, Ltd. (New Zealand)
WSA Systems and Services, Inc.
Design Data, Inc.
Digital Computer Controls, Inc.
Nippon-Data General Corp.
(50% owned)

Transfer Agent(s):

New England Merchants National Bank
One Washington Mall
Boston, Massachusetts 02106

New England Merchants National Bank
c/o Midwest Stock Clearing Corporation
160 Water Street
New York, New York 10005

Stock Exchange(s): New York, Boston

Ticker Symbol: DGN

Number of Employees:

1980	14,370	1977	8,590
1979	13,380	1976	6,190
1978	10,830		

Plant Footage:

1980 . . . . . . 2,834,000 sq. ft.

Sales and Earnings

	Net Sales	Net Income
1980	$653,887,000	$ 54,690,000
1979	507,483,000	49,814,000
1978*	379,948,000	40,281,000
1977	254,687,000	28,579,000
1976	178,753,000	20,780,000

	No. of Com. Shares #	Earn. per Share #
1980	10,518,000	$5.20
1979	10,340,000	4.82
1978	10,075,000	4.00
1977	9,939,000	2.88
1976	9,839,000	2.11

* 53 weeks.
# Based on average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$318,574,000	$30.29
1979	251,639,000	24.34
1978	191,460,000	19.00
1977	146,080,000	14.70
1976	114,787,000	11.67

‡ Based on average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended		9/27/80		9/29/79
Net sales	$	653,887	$	507,483
Cost of sales		328,943		251,191
Expenses		218,154		165,088
Other income		(4,562)		(7,785)
Interest expense		10,052		5,925
Income before taxes	$	101,300	$	93,064
Income taxes		46,610		43,250
Net Income	$	54,690	$	49,814

* Included in Costs and Expenses, Depreciation: $26,271,000 in 1980 and $15,613,000 in 1979.

Assets
(000's)

As of		9/27/80		9/29/79 ‡
Cash & temp. cash invest.	$	18,110	$	34,911
Marketable secur.		58,609		20,760
Accts. receiv., net		171,598		139,119
*Inventories		261,496		174,818
Deferred inc. taxes		2,684		8,370
Prepaid expenses		4,404		7,391
Current Assets	$	516,901	$	385,369
# Fixed assets		125,622		91,574
Total Assets	$	642,523	$	476,943

Liabilities
(000's)

Accts. payable	$	54,861	$	60,879
Other curr. liab.		28,357		14,199
Accrued payroll		12,551		9,912
Income taxes		58,915		56,200
Deferred income taxes		—		13,330
Curr. Liabilities	$	154,684	$	141,190
Long-term debt		144,699		62,414
Deferred inc. taxes		24,566		21,700
+ Common stock		102		100
Add. paid-in capital		88,569		76,326
Retained earnings		229,903		175,213
Total Liabilities & Shareholders' Equity	$	642,523	$	476,943

* At lower of cost (FIFO) or market.
+ $0.01 par value.
‡ Restated to conform to current presentation.
# Less accumulated depreciation.

Statistical Summary

%Income bef. Taxes to Sales	15.49	18.34
%Net Income to Sales	8.36	9.82
%Net Income to Equity	17.17	19.80
Sales to Inventories	2.50	2.90
Working Capital	$362,217,000	$244,179,000
Current Ratio	3.34	2.73
Shareholders' Equity	$318,574,000	$251,639,000

Data-Design Laboratories

7925 Center Avenue
P.O. Box 711
Cucamonga, California 91730
(714) 987-2511

Officers: Thomas C. Beiseker, president & chief executive officer; Dominic P. Salvati, exec. vice president-administration & finance, secretary & treasurer; John H. Nicholson,exec. v.p.-products & systems.

Directors: Thomas C. Beiseker, Donald Royce, Jr., Clayton L. Sommers, Russell R. O'Neill, Frank Sanders, Dan W. Burns, Hugh E. Witt.

Areas of Work: Engaged in two major areas — engineering services and engineered products. Engineering services involve electronics systems design and support, specialized systems fabrication, and technical training services. The majority of enginering services performed are elements of complex military weapon systems programs. Engineered products include high-quality printed circuit boards for the electronics industry; emergency power products for office buildings, factories and public buildings; mechanical components and pressure gauges for original equipment manufacturers.

Divisions:

Instrument Division
7925 Center Avenue
Cucamonga, California 91730
(714) 987-2511
Manufactures and markets a line of custom designed gauges for a wide range of OEM's. Beside life support equipment, products include gauges for SCUBA equipment, emergency aircraft escape slides and life rafts.

Technical Services Division
7925 Center Avenue
Cucamonga, California 91730
Produces packaged training and testing systems for military, institutional andcommercial organizations.

Subsidiaries:

Circuit Design & Mfg., Inc
7945 Center Avenue
Cucamonga, California 91730
(714) 987-6328
Manufactures printed circuit boards.

Aeroscientific Corporation
184 E. Liberty Avenue
Anaheim, California 92801
(714) 871-8110
Manufactures printed circuit boards.

Phoenix Printed Circuits, Inc.
10017 North 19th Avenue
Phoenix, Arizona 85021
(602) 944-2679
Maufactures circuit boards.

Siltron Illumination, Inc.
1960 West 139th Street
Gardena, California 90249
(213) 770-0985
Produces and designs architecturally compatible emergency lighting systems and emergency power equipment used for essential systems such as fire alarms, communications systems, and industrial pumps, blowers and motors.

Digital Application, Inc. (79% owned)
2519 National Drive
Garland, Texas 75041
A manufacturer of printed circuit boards.

Hydrotronics, Inc
7926 Jones Branch Drive
Suite 500
McLean, Virginia 22101
(703) 790-5270
Conducts research activities in the area of military underwater communications and underseas warfare systems; engineering and fabrication of electronic warfare threat simulators, microwave transmitter and antenna systems, digital control and interface systems, and electronic countermeasures, jammers, receivers and decoys.

Custom Systems Associates, Inc.
14100 N.W. Science Park Drive
Portland, Oregon 97229
Manufactures printed circuit boards.

United Scientific Corporation
Mountain View, California
(415) 969-9400
Manufactures and markets communications equipment and analytical instruments. The signal processing equipment is used in CATV and other cable communications systems and is compatible with coaxial cable, microwave, satellite and fiber optics means of transmission.

Acquisition(s):

Cir-Tech, Inc.
Minneapolis, Minnesota
Manufactures printed circuit boards.

Tallman Industries, Inc.
Cucamonga, California
Owns patents on materials used and processes for the manufacture of semiconductor devices.

Transfer Agent(s):

Bank of America, N.T. & S.A.
San Francisco, California

Stock Exchange(s): Over-The-Counter

Ticker Symbol: DDES (NASDAQ)

Number of Employees:

1980	1,400	1977	750
1979	1,500	1976	650
1978	965		

Plant Footage:

1980	300,000 sq. ft.	1977	245,000
1979	262,000	1976	220,000
1978	262,000		

Sales and Earnings ‡

	Net Sales	Net Income
1980	$ 66,186,000	$ 2,548,000
1979	49,756,000	2,073,000
1978	34,293,000	1,239,000
1977	28,467,000	1,066,000
1976	24,482,000	875,000

	No. of Com. Shares +	Earn. per Share #
1980	1,956,228	$1.35
1979	1,760,075	1.15
1978	1,718,635	.71
1977	1,670,190	.57
1976	1,813,978	.49

‡ Restated to include operations of companies acquired on a pooling of interests basis.
+ Adjusted to reflect stock splits.
# Based on the weighted average number of common shares outstanding and adjusted to reflect stock splits.

Revenues By Line of Business

	1980	1979	1978	1977
Engineering services	38%	40%	41%	43%
Engineered products	62	60	59	57
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.26	—	5-for-4
1979	0.19	—	5-for-4
1978	0.11	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 13,486,000	$6.89
1979	9,032,000	5.13
1978	7,007,000	4.08
1977	5,816,000	3.48
1976	5,168,000	2.85

† Adjusted to reflect stock splits.

Income Account *

Year ended June 30	1980	1979‡
Net sales	$ 66,186,000	$ 49,756,000
Cost of sales & services	52,610,000	38,827,000
Expenses	8,010,000	6,443,000
Interest expense	863,000	623,000
Income before taxes	$ 4,703,000	$ 3,863,000
Income taxes	2,155,000	1,790,000
Net Income	$ 2,548,000	$ 2,073,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,544,000 in 1980 and $996,000 in 1979.
‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets

As of June 30	1980	1979‡
Cash	$ 351,000	$ 1,845,000
Marketable Securities	225,000	—
Accts. & notes receiv., net	14,450,000	11,778,000
*Inventories	7,248,000	5,032,000
Prepaid expenses	484,000	235,000
Current Assets	$ 22,758,000	$ 18,890,000
# Fixed assets	5,303,000	3,303,000
Other assets	1,744,000	657,000
Total Assets	$ 29,805,000	$ 22,850,000

Liabilities

Notes payable	$ 600,000	$ 649,000
Long-term debt. curr.	553,000	449,000
Accts. payable	3,376,000	2,952,00
Accruals	744,000	622,000
Accruals payroll	2,399,000	1,994,000
Income taxes	1,388,000	438,000
Deferred taxes	—	223,000
Curr. Liabilities	$ 9,060,000	$ 7,327,000
Long-term debt	6,822,000	6,144,000
Minority interest	437,000	347,000
+ Common stock	652,000	469,000
Add. paid-in capital	4,164,000	2,054,000
Retained earnings	8,673,000	6,535,000
5% Notes rec. from employees	(3,000)	(26,000)
Total Liabilities & Shareholders' Equity	$ 29,805,000	$ 22,850,000

‡ Restated to include operations of companies acquired on a pooling of interests basis.
* At cost (FIFO).
# Less accumulated depreciation and amortization.
+ $0.33⅓ par value.

Statistical Summary

%Income bef. Taxes to Sales	7.11	7.76
%Net Income to Sales	3.85	4.17
%Net Income to Equity	18.89	22.95
Sales to Inventories	9.13	9.89
Working Capital	$ 13,698,000	$ 11,563,000
Current Ratio	2.51	2.58
Shareholders' Equity	$ 13,486,000	$ 9,032,000

Datapoint Corporation

7900 Callaghan Road
San Antonio, Texas 78284
(512) 699-7000

Mailing address:
9725 Datapoint Drive
San Antonio, Texas 78284

Officers: Harold E. O'Kelley, chairman, president & chief executive officer; Edward P. Gistaro, exec. v.p.-corporate development; Victor D. Poor, exec. v.p.-research & development; Richard V. Palermo, exec. v.p.-operations; Joseph G. Degen, sr. v.p.-finance; Vincent S. Balhorn, v.p. & gen. mgr.-Customer Service Div.; G. Millard Allen, v.p. & gen. mgr.-Marketing Div.; Herbert T. Hensley, v.p. & gen. mgr.-International Operations Div.; Daniel A.Hosage, v.p. & group exec.-Office Systems Group; W.D. Warren, v.p. & group exec.-Computer Systems Group; David A. Willis, v.p. & treasurer; James D. Simonsen, v.p. & gen. mgr.-industrial relations; James C. Cogan, v.p. & gen. mgr.-Small Systems Div.; J.L. Clemens, v.p. & acting gen. mgr., Peripheral Operations Div.; Lloyd C. Tschirhart, v.p. and controller; Helaine Harthcock, secretary.

Directors: Edward P. Gistaro, Gene K. Beare*, William G. Karnes, Joseph G. Degen, G. Kozmetsky, Harold E. O'Kelley*, H.G. Bowles, W.C. Leone*, Richard V. Palermo, T.J. Klutznick Victor D. Poor.

*Member of Executive Committee.

Areas of Work: Designs, develops, manufactures and produces general purpose business computer systems for managing the tasks of the fully Integrated Electronic Office. The functions of dispersed data processing, word processing, communications management, electronic message systems, individual computing and electronic file storage/retrieval can all be maintained and arbitrarily expanded or reconfigured within the Attached Resource Computer (ARC) System architecture.

Subsidiaries:

Datapoint-Disc, Inc.
9725 Datapoint Drive
San Antonio, Texas 78284
(512) 690-7000

Amcomp, Inc.
686 W. Maude Avenue
Sunnyvale, California 94086
(408) 732-7330

Inforex, Inc. (June 10, 1980)
186 Middlesex Turnpike
Burlington, Massachusetts 01803

Manufactures, markets, leases and services minicomputer-based systems for data entry and life management on a worldwide basis.

Transfer Agent(s):

First National Bank in Dallas
1401 Elm Street
Dallas, Texas 75283

Stock Exchange(s): New York

Ticker Symbol: DPT

Number of Employees:

1980	5,939	1977	2,732
1979	5,066	1976	1,921
1978	3,889		

Plant Footage:

1980	386,000 sq. ft.	1977	386,000
1979	386,000	1976	386,000
1978	386,000		

Sales and Earnings

	Revenues	Net Income
1980	$318,826,000	$ 33,478,000
1979	232,101,000	25,246,000
1978	162,261,000	15,278,000
1977	103,023,000	8,379,000
1976	72,050,000	6,431,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	8,798,277	$3.81
1979	8,617,690	2.93
1978	7,314,344	2.09
1977	6,543,828	1.28
1976	5,870,032	1.10

‡ Based on weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	2-for1*

*In the form of a stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$169,132,000	$19.22
1979	128,478,000	14.91
1978	99,448,000	13.60
1977	54,951,000	8.40
1976	45,387,000	7.73

‡ Based on weighted average number of shares outstanding adjusted to reflect sock split.

Income Account *
(000's)

Year ended July 31	1980	1979
Net sales, rentals services	$ 318,826	$ 232,101
Cost of revenue	160,953	118,390
Expenses	101,044	71,190
Other expense (income)	389	(270)
Income before taxes	$ 56,440	$ 42,791
Income taxes	22,962	17,545
Net Income	$ 33,478	$ 25,246

*Included in Costs and Expenses, Depreciation and Amortization: $29,639,000 in 1980 and $24,353,000 in 1979.

Assets
(000's)

As of July 31	1980	1979
Cash	$ 2,552	$ 11,677
Accts. receiv. net	71,021	45,502
*Inventories	68,506	45,306
Prepaid expenses	989	968
Current Assets	$ 143,068	$ 103,453
Install. notes receiv.	508	548
Investment	478	—
# Fixed assets	78,139	63,538
Other assets	1,430	402
Total Assets	$ 223,623	$ 167,941

Liabilities
(000's)

Long-term debt, curr.	$ 163	$ 460
Accts. payable	16,139	8,224
Accruals	24,406	18,535
Withholding for stock plan	2,268	1,257
Income taxes payable	5,466	6,869
Curr. Liabilities	$ 48,442	$ 35,345
Long-term debt	3,934	2,554
Deferred inc. taxes	1,281	832
Deferred rev.	834	732
+ Common stock	2,124	2,052
Add. paid-in capital	76,145	69,041
Retained earnings	90,863	57,385
Total Liabilities & Shareholders' Equity	$ 223,623	$ 167,941

*At lower of standard costs (FIFO) or market.
# Less accumulated depreciation.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Revenues	17.70	18.44
%Net Income to Rev.	10.50	10.88
%Net Income to Equity	19.79	19.65
Working Capital	$ 94,626,000	$ 68,108,000
Current Ratio	2.95	2.93
Shareholders' Equity	$169,132,000	$128,478,000

Dataproducts Corporation

6200 Canoga Avenue
Woodland Hills, California 91365
(213) 887-8000

Officers: Graham Tyson, chairman of the board & chief executive officer; Russell E. Quinn, sr. v.p.-admn.; Charles A. Dickinson, president & chief operating officer; Ralph Gabai, sr. v.p.-marketing and corp. development; Frank J. McQuaid, sr. v.p.-finance & treasurer; Clifford J. Helms, sr. v.p.-technical programs; Robert F. Ferrara, v.p.-New England Operations; Robert G. Wallstrom, v.p.-line printer operations; Robert J.Pieper, v.p.-marketing; Paul D. Weiser, sr. v.p.-secretary & corp. counsel.

Directors: Graham Tyson, chairman; George W. Brown, Frank G. Chambers, Chester I. Lappen, Frank C. Mullaney, Charles A. Dickinson, Richard D. Dotts, Frank J. McQuaid, Erwin Tomash.

Areas of Work: Designs and manufactures peripherals for data processing systems, including band, thermal, serial and daisy wheel printers and ferrite core memories. In addition, the Corporation produces data transmission telecommunications equipment for industrial, governmental and commercial use, and ribbons for computer impact printers.

Divisions:

Woodland Hills Division
6219 DeSoto Avenue
Woodland Hills, California 91365
(213) 887-8000

Subsidiaries:

Dataproducts (San Jose), Inc.
2550 Zanker Road
San Jose, California 95131
(408) 946-9740

Dataproducts International, Inc.
Index House
Ascot
Berkshire, SL5 7EU
England

Dataproducts Dublin Memories Limited
Greencastle Road
Coolock
Dublin 5, Ireland

Dataproducts Irvine
17426 Daimler Avenue
Irvine, California 92714

Dataproducts Puerto Rico
P.O. Box 7728
Ponce, Puerto Rico 00731
(809) 844-0618

Dataproducts Hong Kong, Limited
95, How-Ming Street
Kwun Tong
Kowloon, Hong Kong

Data Products New England, Inc.
Barnes Park North
Wallingford, Connecticut 06492
(203) 265-7151

Dataproducts Supplies Division
9657 Mason Avenue
Chatsworth, California 91311
(213) 882-0530

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): American,Pacific, Phila-Balt-Wash.

Ticker Symbol: DPC

Number of Employees:

1980 5,017

Plant Footage:

1980 . . . . . . 1,535,000 sq. ft.

Sales and Earnings

	Net Revenues +	Net Income
1981	$270,125,000	$ 17,207,000
1980	180,319,000	7,367,000
1979*	163,569,000	14,172,000
1978	138,648,000	15,523,000
1977	115,298,000	12,184,000

	No. of Com. Shares #	Earn. per Share #
1981	7,571,000	$2.27
1980	7,266,000	1.01
1979	7,262,000	1.95
1978	7,236,000	2.15
1977	7,136,000	1.71

* 53 weeks.
+ Of continuing operations only.
# Based on average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1981	1980
Printers	$ 227,298	$ 148,646
Telecommunications	33,921	23,205
Core memories	8,906	8,468
Total	$ 270,125	$ 180,319

Common Stock

	Cash Dividend	Stock Dividend	Stock Slit
1981	$0.30	—	—
1980	0.30	—	—
1979	0.30	—	—
1978	0.25	—	—
1977	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1981	$151,497,000	$20.01
1980	92,830,000	12.78
1979	87,376,000	12.03
1978	74,385,000	10.33
1977	59,337,000	8.41

Income Account *

Year ended	3/28/81	3/29/80
Net revenues	$270,125,000	$180,319,000
Cost of revenues	185,461,000	126,704,000
Expenses	57,085,000	46,903,000
Other income	(4,932,000)	(5,783,000)
Interest expense	—	1,996,000
Income before taxes	$ 22,647,000	$ 10,499,000
Income taxes	5,440,000	3,132,000
Net Income	$ 17,207,000	$ 7,367,000

Assets

As of March 31	3/28/81	3/29/80
Cash & securities	$ 12,591,000	$ 10,022,000
Accts. receiv., net	71,085,000	48,805,000
* Inventories	89,433,000	64,139,000
Tax refund receivable	3,480,000	—
Deferred tax charges	—	2,419,000
Prepaid expenses	1,416,000	1,166,000
Current Assets	$178,005,000	$126,551,000
Investments	6,448,000	—
# Fixed assets	37,218,000	32,465,000
Intangibles	15,643,000	16,123,000
Other assets	948,000	1,268,000
Total Assets	$238,262,000	$176,407,000

Liabilities

Notes payable	$ 1,750,000	$ 20,000,000
Accts. payable	22,705,000	19,948,000
Accruals	12,353,000	7,926,000
Income taxes	3,742,000	2,426,000
Other liabilities	3,044,000	2,729,000
Dividends payable	1,323,000	1,090,000
Curr. Liabilities	$ 44,917,000	$ 54,119,000
Long-term debt	33,236,000	23,360,000
Deferred inc. taxes	6,719,000	4,418,000
Other liabilities	1,893,000	1,680,000
+ Common stock	882,000	727,000
Add. paid-in capital	68,153,000	22,986,000
Retained earnings	82,462,000	69,117,000
Total Liabilities & Shareholders' Equity	$238,262,000	$176,407,000

* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

% Income bef. Taxes to Revenues	8.38	5.82
% Net Income to Revenues	6.37	4.09
% Net Income to Equity	11.36	7.94
Working Capital	$133,088,000	$ 72,432,000
Current Ratio	3.96	2.34
Shareholders' Equity	$151,497,000	$ 92,830,000

Dataram Corporation

Princeton Road
Cranbury, New Jersey 08512
(609) 799-0071

Officers: Raymond R. Von Culin, chairman of the board & chief executive officer; John F. Gilligan, president; Robert V. Tarantino, exec. v.p.; Bernard F. Hellrigel, v.p.-engineering; G. Robert Marcus, secretary; Frank Kardashian, treasurer.

Directors: John F. Gilligan, Raymond P. Von Culin, Richard Holzman, John Cahill.

Area of Work: Design and manufacture of memory and controller products for the minicomputer industry.

Subsidiary:

Dataram International Sales Corporation
Dataram International
Cayman Islands

Affiliate:

Sanford Associates, Inc. (19% interest)
Manila, Republic of the Philippines

Transfer Agent(s):

Fidelity Union Trust Company
765 Broad Street
Newark, New Jersey 07102

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DTRM (NASDAQ)

Number of Employees:

1980	260	1977	169
1979	223	1976	115
1978	189		

Plant Footage:

1980	53,000 sq. ft.	1977	24,000
1979	38,000	1976	24,000
1978	30,000		

Sales and Earnings

	Net Sales	Net Income †
1980	$ 22,105,268	$ 3,192,288
1979	18,534,293	2,330,537
1978	15,604,980	2,226,055
1977	10,747,620	1,158,761
1976	4,893,974	15,366

	No. of Com. Shares †	Earn. per Share †‡
1980	2,275,096	$1.40
1979	2,275,918	1.02
1978	2,291,872	0.97
1977	2,434,094	0.48
1976	2,463,743	0.01

† Including extraordinary gain of $213,750 ($0.38 per share) in 1977.
‡ Based on the average number of common shares outstanding adjusted to reflect stock dividends and stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	10%	4-for-1
1979	—	10%	—
1978	—	10%	—
1977	—	—	—
1976	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 10,917,919	$4.80
1979	7,731,332	3.40
1978	5,401,897	2.36
1977	3,296,419	1.35
1976	2,250,521	0.91

‡ Based on the average number of common shares outstanding adjusted to reflect stock dividends and stock split.

Income Account *

Year ended April 30	1980	1979
Net sales	$ 22,105,268	$ 18,534,293
Cost of sales	13,590,696	11,585,581
Expenses	4,495,826	3,690,955
Interest expense	299,694	166,447
Other income	(746,236)	(176,227)
Income before taxes	$ 4,465,288	$ 3,267,537
Income taxes	1,273,000	937,000
Net Income	$ 3,192,288	$ 2,330,537

*Included in Costs and Expenses, Depreciation and Amortization: $310,505 in 1980 and $267,995 in 1979.

Assets

As of April 30	1980	1979
Cash	$ 2,523,801	$ 2,129,487
Marketable securities	1,811,409	417,063
Accts. receiv., net	5,590,790	4,567,619
*Inventories	4,732,283	4,051,983
Prepaid expenses	63,829	50,472
Deferred charges	219,750	144,750
Current Assets	$ 14,911,862	$ 11,361,374
Investments & advances	117,424	117,424
# Fixed assets	1,449,042	1,564,637
Product designs, net	135,064	230,392
Other assets	24,873	11,725
Total Assets	$ 16,668,265	$ 13,285,552

Liabilities

Accts. payable	$ 2,030,822	$ 1,294,452
Accruals	950,478	1,002,064
Inc. taxes payable	951,534	595,196
Long term debt, curr.	96,049	53,815
Curr. Liabilities	$ 4,028,883	$ 2,945,527
Long-term debt	1,304,963	2,433,193
Deferred income taxes	391,500	150,500
Other liabilities	25,000	25,000
+ Common stock	2,275,096	517,254
Add. paid-in capital	3,233,934	3,562,096
Retained earnings	5,408,889	3,651,982
Total Liabilities & Shareholders' Equity	$ 16,668,265	$ 13,285,552

*At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	20.20	17.63
%Net Income to Sales	14.44	12.57
%Net Income to Equity	29.24	30.14
Sales to Inventories	4.67	4.57
Working Capital	$ 10,882,979	$ 8,415,847
Current Ratio	3.71	3.86
Shareholders' Equity	$ 10,917,919	$ 7,731,332

Datascope Corp.

580 Winters Avenue
Paramus, New Jersey 07652
(201) 265-8800

3 Fir Court
Oakland, New Jersey 07436
(201) 337-3322

Officers: Lawrence Saper, president & treasurer; George Heller, sr. v.p. & secretary; Richard A. Laskey, v.p.-biochemical research; Ernst Janzen, v.p.-int'l. sales; Bruce L. Hanson, v.p.-operations, disposable products; William H. Terrell, v.p.-corp. design; Stuart S. Levy, controller & asst. treasurer.

Directors: William L. Asmundson, Joseph Grayzel, Alan J. Patricof, Lawrence Saper.

Areas of Work: Designs, manufactures and markets electronic medical instruments and related products for clinical health care applications. The product lines are divided into three areas; physiological monitors, defibrillator systems and cardiac assist systems. In connection with the cardiac assist area, the company manufactures a disposable proprietary balloon catheter and a disposible Pulsatile Assist Device (P.A.D.). Products are sold worldwide, primarily to hospitals through an organization of independent distributors and direct salesmen.

Subsidiaries:

Datascope B.V.
Hoevalaken, Holland

Datascope GmbH
Bremen, West Germany

Datascope Disc. Corp.
New York, New York

Transfer Agent(s):

General Stock Transfer Company
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DSCP (NASDAQ)

Number of Employees:

1980	480	1977	325
1979	379	1976	225
1978	325		

Plant Footage:

1980	108,000 sq. ft.	1977	74,600
1979	78,000	1976	36,600
1978	74,600		

Sales and Earnings

	Net Sales	Net Income
1980	$ 20,720,753	$ 1,350,996
1979	15,911,713	765,280
1978	13,753,374	1,101,141
1977	12,157,812	1,463,741
1976	9,866,431	1,271,593

	No. of Com. Shares +	Earn. per Share †
1980	2,336,000	$0.58
1979	2,296,000	0.33
1978	2,266,000	0.49
1977	2,258,000	0.65
1976	2,242,000	0.57

+ Based on weighted average number of shares outstanding adjusted to reflect stock splits.
† Based on weighted average number of shares outstanding assuming full dilution, adjusted to reflect stock splits.

Revenues By Line of Business

	1980	1979	1978	1977
Monitor/defibrillator systems	31%	31%	32%	37%
Physiological monitoring prods.	32	41	41	37
Cardiac assist systems	37	28	27	26
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	2-for-1
1979	—	—	—
1978	—	—	—
1977	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 10,385,801	$4.45
1979	8,992,267	3.92
1978	8,073,456	3.56
1977	6,804,083	3.01
1976	5,167,717	2.30

+ Based on weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 20,720,753	$ 15,911,713
Cost of sales	9,839,038	7,948,494
Expenses	8,532,486	6,979,464
Other expense	154,233	53,475
Income before taxes	$ 2,194,996	$ 930,280
Income taxes	844,000	165,000
Net Income	$ 1,350,996	$ 765,280

*Included in Costs and Expenses, Depreciation and Amortization: $697,477 in 1980 and $617,678 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 418,590	$ 259,065
Accts. receiv. net	4,342,764	4,647,486
*Inventories	7,159,843	5,026,477
Prepaid expenses	327,906	197,875
Current Assets	$ 12,249,103	$ 10,130,903
# Fixed assets	3,406,465	2,978,717
Other assets	165,769	168,125
Total Assets	$ 15,821,337	$ 13,277,745

Liabilities

Notes payable	$ 1,150,000	$ 700,000
Accts. payable	955,472	1,417,326
Accruals	1,218,357	919,626
Income taxes	1,392,503	518,082
Mortgage payable	20,375	19,240
Curr. Liabilities	$ 4,736,707	$ 3,574,274
Mortgage payable	514,163	534,538
Deferred inc. taxes	184,666	176,666
+ Common stock	23,026	11,477
Add. paid-in capital	1,979,883	1,948,894
Retained earnings	8,382,892	7,031,896
Total Liabilities & Shareholders' Equity	$ 15,821,337	$ 13,277,745

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.59	5.85
%Net Income to Sales	6.52	4.81

%Net Income to Equity	13.01	8.51
Sales to Inventories	2.89	3.17
Working Capital	$ 7,512,396	$ 6,556,629
Current Ratio	2.59	2.83
Shareholders' Equity	$ 10,385,801	$ 8,992,267

Datatron, Inc.

2942 Dow Avenue
Tustin, California 92680
(714) 544-9970

Officers: Herbert M. Perkins, chairman of the board & president; Frank Blaha, v.p.-operations; Mark A. Voorhis, treasurer & asst. secretary; C. Harrison Minich, secretary; Aggie Sussman, purchasing agent; Terry Vaughn, manufacturing mgr.; Stuart Dunford controller; Stuart Dunford, controller; William Huggins, engineering manager; Jim Morgan, director of procurement.

Directors: C. Harrison Minich, Leona Purcilly Strand, Gary Mounts, Herbert M. Perkins, Louis J. Knobbe, C. Craig Carlson.

Areas of Work: Produces computer controlled test equipment, readout displays indicator lamps, timing instrumentation, video tape editors and wire wound magnetic products.

Divisions and Subsidiaries:

Datatron Magnetics Division
Shelly Associates, Inc.
Testing and Editing Systems Division

all at:

2942 Dow Avenue
Tustin, California 92680
(714) 544-9970

Transfer Agent(s):

United California Bank
P.O. Box 3667, Terminal Annex
Los Angeles, California 90051

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DTRN (NASDAQ)

Number of Employees:

1980	149	1977	265
1979	142	1976	294
1978	120		

Plant Footage:

1980	45,000 sq. ft.	1977	79,500
1979	27,000	1976	36,640
1978	25,000		

Sales and Earnings

	Net Sales +	Net Income ‡
1980	$ 6,312,439	$ 574,046
1979	5,058,810	231,108
1978	4,714,151	184,775
1977	4,576,400	(436,101)
1976	4,882,411	26,586

	No. of Com. Shares	Earn. per Share ‡ #
1980	1,847,289	$0.23
1979	1,817,039	0.13
1978	1,796,539	0.10
1977	1,796,539	—
1976	1,871,539	0.01

(Loss)
+ Of continuing operations only.
‡ Including extraordinary credits of $135,000 ($0.05 per share) in 1980, $92,000 ($0.05 per share) in 1979, $75,200 ($0.04 per share) in 1978 and $5,000 in 1976.
# Based on the average number of shares outstanding.

Revenues By Line of Business

	1980	1979	1978	1977
Reliability services:				
Test equip.	36%	20%	33%	27%
Testing serv.	—	—	19	31
Tape editing equip.	41	54	34	32
Electronic displays indicators	23	26	14	10
Total	100%	100%	100%	100%

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,488,580	$1.35
1979	1,897,518	1.04
1978	1,647,005	0.92
1977	1,462,230	0.81
1976	1,898,331	1.01

Income Account *

Year ended June 30	1980	1979
Net sales	$ 6,312,439	$ 5,058,810
Cost of sales	3,471,822	2,947,049
Expenses	2,117,606	1,833,358
Interest expense	88,065	24,295
Interest income	(117,000)	—
Income before taxes	$ 752,046	$ 254,108
Income taxes	313,000	115,000
Net Income	$ 439,046	$ 139,108
Extraordinary credit	135,000	92,000
Net Income & extraord. credit	$ 574,046	$ 231,108

*Included in Costs and Expenses, Depreciation and Amortization: $93,988 in 1980 and $91,028 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 1,041,773	$ 270,265
Marketable securities	276,501	—
Receivables	1,415,071	1,066,675
*Inventories	1,632,060	1,034,548
Prepaid expenses	138,203	50,223
Current Assets	$ 4,503,608	$ 2,421,711
# Fixed assets	236,215	233,599
Deferred underwriting fees	151,288	—
Other assets	165,617	50,651
Total Assets	$ 5,156,728	$ 2,705,961

Liabilities

Accts. payable	$ 324,613	$ 309,422
Accruals	592,078	274,261
Accrued payroll	131,619	79,184
Commissions	67,768	56,119
Long term debt, curr.	20,238	34,887
Curr. Liabilities	$ 1,136,316	$ 753,873
Long-term debt	1,531,832	54,570
+ Common stock	1,438,710	1,421,694
Add. paid-in capital	722,018	772,018
Retained earnings (deficit)	327,852	(246,194)
Total Liabilities & Shareholders' Equity	$ 5,156,728	$ 2,705,961

*At lower of average cost or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	11.91	5.02
%Net Income to Sales	6.96	2.75
%Net Income to Equity	17.64	7.33
Sales to Inventories	3.87	4.89
Working Capital	$ 3,367,292	$ 1,667,838
Current Ratio	3.96	3.21
Shareholders' Equity	$ 2,488,580	$ 1,897,518

Datum Inc.

1363 South State College Boulevard
Anaheim, California 92806
(714) 533-6333

Officers: Louis B. Horwitz, chairman of the board & president; Clyde E. Cole, v.p. & mgr.-timing & instrumentation systems div.; Edward A. Money, vice president-finance, secretary & treasurer; Benjamin F. Tarver, controller.

Directors: Louis B. Horwitz, chairman; Edward A. Money, Charles W. Missler, G. Tilton Gardner, Dan L. McGurk, Thomas J. O'Rourke.

Areas of Work: The Company provides industry with peripheral device conrollers, interconnecting widely-used minicomputer systems with most available peripheral devices, and a complete range of precision timing instrumentation.

Subsidiaries:

Datum International Sales Corp.
Datum (Electronics) Limited

Transfer Agent(s):

Wells Fargo Bank, N.A.
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DATM (NASDAQ)

Number of Employees:

1979	316	1977	300
1978	304		

Sales and Earnings

	Net Sales	Net Income +
1980	$ 14,919,000	$ 258,000
1979	15,233,000	200,000
1978	16,457,000	1,016,000
1977	15,697,000	765,000
1976	13,666,000	(2,495,000)

	No. of Com. Shares	Earn. per Share ‡ +
1980	1,814,438	$0.14
1979	1,771,563	0.11
1978	1,764,213	0.55
1977	1,748,913	0.43
1976	1,708,913	—

(Loss)
+ Including extraordinary gains of $331,000 ($0.18 per share) in 1978 and $350,000 ($0.20 per share) in 1977.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1980	1979	1978	1977
Storage systems	57%	64%	63%	63%
Timing products	36	29	25	20
Instrumentation products	7	7	12	17
Total	100%	100%	100%	100%

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 3,886,000	$2.14
1979	3,553,000	2.01
1978	3,338,000	1.89
1977	2,308,000	1.32
1976	1,513,000	0.89

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 14,919,000	$ 15,233,000
Cost of sales	9,242,000	9,437,000
Expenses	4,866,000	5,014,000
Interest expenses	283,000	382,000

Income before taxes	$ 528,000	$ 400,000
Income taxes	270,000	200,000
Net Income	$ 258,000	$ 200,000

* Included in Cost and Expenses, Depreciation and Amortization: $376,000 in 1980 and $392,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 368,000	$ 136,000
Accts. receiv., net	2,482,000	3,480,000
Refund. inc. taxes	—	124,000
*Inventories	2,680,000	2,777,000
Prepaid expenses	118,000	100,000
Current Assets	$ 5,648,000	$ 6,617,000
#Fixed ssets	2,244,000	2,050,000
Other assets	236,000	261,000
Total Assets	$ 8,128,000	$ 8,928,000

Liabilities

Notes payable	$ —	$ 1,350,000
Long-term debt, curr.	174,000	156,000
Accts. payable	749,000	997,000
Accruals	226,000	202,000
Income taxes payable	173,000	—
Deferred inc. taxes	489,000	342,000
Accrued payroll	276,000	216,000
Curr. Liabilities	$ 2,087,000	$ 3,263,000
Long-term debt	2,122,000	2,112,000
Deferred income taxes	33,000	—
+Common stock	454,000	443,000
Add. paid-in capitel	2,479,000	2,415,000
Retained earnings	953,000	695,000
Total Liabilities & Shareholders' Equity	$ 8,128,000	$ 8,928,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.54	2.63
%Net Income to Sales	1.73	1.31
%Net Income to Equity	6.64	5.63
Sales to Inventories	5.57	5.49
Working Capital	$ 3,561,000	$ 3,354,000
Current Ratio	2.71	2.03
Shareholders' Equity	$ 3,886,000	$ 3,553,000

DBA Systems, Inc.

P. O. Drawer 550
1135 West Nasa Boulevard
Melbourne, Florida 32901
(305) 727-0660

Officers: Howard N. Hebert, chairman of the board, president, treasurer, and controller; M. Alan Bishop, v.p. -operations; Louis J. Lopez, v.p. -marketing; John L. Shaumann, v.p. -corporate development; Carmen L. Conway, asst. secretary; Jon D. Guess, asst. controller; William C. Potter, secretary.

Directors: Duane C. Brown, John R. Godwin, E. Davision Potter, Howard N. Hebert, George L. MacKay, Jonathan L. Collens, Sr., John C. Colman.

Areas of Work: Engaged in the development and production of trackers used in airborne and ground based weapons, and for satellites, and gun fire-control systems; message switching systems as well as complete message preparation and distribution terminals. Provides consulting services in the areas of large scale development and construction management. Produces instrumentation and systems for photogrammetric structural measurement and aerial photography, primarily for government use.

Divisions and Subsidiaries:

DBA Systems, Inc.-Washington D.C. Division
Suite 200 Beltway Building
9301 Annapolis Road
Lanham, Maryland 20801
(301) 577-3001

Real Time Systems Division
Computer Science Division
Photogrammetric and Geodetic Services Division

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DBAS (NASDAQ)

Number of Employees:

1980	180	1978	160
1979	180		

Plant Footage:

1980	65,000 sq.ft.	1978	65,000
1979	65,000		

Sales and Earnings

	Revenues	Net Income #
1980	$ 10,699,672	$ 601,279
1979*	3,578,774	55,913
1978	7,332,285	109,819
1977	4,927,223	(581,412)
1976	7,113,047	143,749

	No. of Com. Shares ‡	Earn. per Shares ‡#
1980	651,640	$0.92
1979*	581,173	0.10
1978	506,274	0.22
1977	507,636	—
1976	512,401	0.28

(Loss)
* 6 months.
‡ Based on weighted average number of shares outstanding.
# Including extraordinary gains of $89,200 ($0.14 per share) in 1980 and $42,000 ($0.08 per share) in 1978.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 2,395,628	$3.68
1979	1,509,510	2.60
1978	1,337,051	2.64
1977	1,145,158	2.26

‡ Based on weighted average of number of shares outstanding.

Income Account *

Year ended	6/30/80	6/30/79 (6 months)
Revenues	$ 10,699,672	$ 3,578,774
Costs & expenses	9,805,977	3,560,459
Interest expense	190,270	92,694
Other expenses (income)	17,881	(130,292)
Income before taxes	$ 721,306	$ 55,913
Income taxes	209,227	—
Net Income	$ 51[illegible]79	$ 55,913
Extraord. gain	89,200	—
Net Income & Extraord. Gain	$ 601,279	$ 55,913

* Included in Costs and Expenses, Depreciation: $221,309 in 1980 and $81,067 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 17,123	$ 135,117
Accts. receiv., net	2,404,277	1,472,434
Other receiv.	4,681	79,660
Earnings in excess of billings	702,876	763,622
*Inventories	860,489	362,494
Mortgage note receiv.	—	22,500
Other curr. assets	31,976	31,887
Notes receiv. for stock purch.	—	10,312
Deferred tax charges	17,500	—
Current Assets	$ 4,038,922	$ 2,878,026
# Fixed assets	1,029,494	652,340
Other assets	604,640	269,294
Total Assets	$ 5,673,056	$ 3,799,660

Liabilities

Notes payable	$ 500,000	$ 1,134,982
Cap. lease oblig., curr.	137,207	88,960
Accts. payable	689,108	353,369
Accrued payroll	205,850	134,050
Accruals	100,187	60,047
Billings in exc. of costs	857,011	35,472
Loss on uncom. contracts	46,603	17,873
Income taxes payable	115,600	—
Other curr. liab.	139,890	97,307
Curr. Liabilities	$ 2,791,456	$ 1,922,060
Deferred taxes	20,500	—
Long-term debt	447,321	299,411
Deferred compens.	18,151	68,679
+ Common stock	245,408	221,091
Add. paid-in capital	1,528,925	1,268,403
Retained earnings (deficit)	726,093	124,814
Treasury stock	(104,798)	(104,798)
Total Liabilities & Shareholders' Equity	$ 5,673,056	$ 3,799,660

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.33⅓ par value.

Statistical Summary

%Income bef. Taxes to Revenues	6.74	—
%Net Income to Revenues	4.79	1.56
%Net Income to Equity	21.38	3.70
Working Capital	$ 1,247,466	$ 955,966
Current Ratio	1.45	1.50
Shareholders' Equity	$ 2,395,628	$ 1,509,510

Decision Data Computer Corporation

100 Witmer Road
Horsham, Pennsylvania 19044
(215) 674-3300

Officers: Richard J. Schineller, president & chief executive officer; Carl W. Stursberg, Jr., chairman of the board; Howard Bernard, sr. v.p., corp. secretary & corporate counsel; Raymond V. Sozzi, v.p.-finance & treasurer; Kenneth R. Whitehouse, v.p.-business development; Michael D. Brody, v.p.-marketing; Robert H. Raquet, v.p.-customer service; James M. Beisty, v.p.-engineering & operations; George G. Zoller, controller.

Directors: Thomas L. Richardson, Howard Bernard, Carl W. Stursberg, Jr.*, Dause L. Bibby, Milton Schwartz, Harry A. Steinberg*, Richard J. Schineller*, John M. Armstrong, Christopher P. Fowler, Henry A. Sweetbaum*.

*Member of Executive Committee.

Areas of Work: Engaged in the design, manufacture, sale and lease of data entry equipment, data communications & display systems, computer peripherals and peripheral subsystems.

Subsidiaries:

Decision Data Computer International Ltd.
Decision Data Leasing Corporation
Decision Data Properties Corporation
Decision Data Computer Sales Corporation

Decision Data Computer International, S.A.
15 Rue de l'Hospital
1701 Fribourg, Switzerland

Decision Data Computer (Canada) Ltd.
Montreal, Quebec; Toronto, Ontario; Vancouver, British Columbia

Decision Data Computer (Belgium) S.A.
Avenue E. De Mot 10
B-1050 Brussels, Belgium

Decision Data Computer (G.B.) Ltd.
London and Manchester, England

Deci-Data de Mexico S.A. de C.V.
Mexico

Decision Data Computer, S.A.
Paris, France

Decision Data Computer GmbH
Frankfurt, Hanberg, Hanover, Munich and Stuttgart, West Germany.

Transfer Agent(s):

Morgan Guaranty Trust Company
30 West Broadway
New York, New York 10015

Philadelphia National Bank
Broad & Chestnut Streets
Philadelphia, Pennsylvania 19101

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DDCC (NASDAQ)

Number of Employees:

1980	790	1977	758
1979	746	1976	668
1978	801		

Plant Footage:

1980	125,000 sq. ft.	1977	125,000
1979	125,000	1976	125,000
1978	125,000		

Sales and Earnings

	Revenues	Net Income ‡
1980	$ 43,606,000	$ 3,038,000
1979*	41,374,000	627,000
1978	40,760,000	2,267,000
1977	33,956,000	1,298,000
1976	34,169,000	426,000

	No. of Com. Shares	Earn. per Share # ‡
1980	4,887,956	$0.63
1979	4,032,316	0.16
1978	3,825,858	0.59
1977	3,746,568	0.34
1976	3,746,568	0.11

* 53 weeks.

‡ Including extraordinary gains of $2,891,000 ($0.56 per share) in 1980, $304,000 ($0.08 per share) in 1979, $1,150,000 ($0.30 per share) in 1978, $612,000 ($0.16 per share) in 1977 and $243,000 ($0.06 per share) in 1976.

# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 15,399,000	$2.95
1979	9,663,000	2.40
1978	8,505,000	2.20
1977	6,050,000	1.61
1976	4,752,000	1.27

Income Account *
(000's)

Year ended	11/29/80	12/1/79 (53 weeks)
Net sales	$ 22,420	$ 21,897
Other income	21,186	19,477
Revenues	43,606	$ 41,374
Cost of revenues	28,740	26,255
Interest expense	1,366	2,747
Expenses	13,413	11,713
Income before taxes	$ 87	$ 659
Income taxes (credit)	(60)	336
Net Income	$ 147	$ 323
Extraord. gain	2,891	304
Net Income & extraord. gain.	$ 3,038	$ 627

* Included in Costs and Expenses, Depreciation and Amortization: $3,215,000 in 1980 and $3,477,000 in 1979.

Assets
(000's)

As of	11/29/80	12/1/79
Cash	$ 2,401	$ 1,010
Receiv., net	6,972	8,062
* Inventories	11,202	11,955
Prepaid expenses	512	555
Current Assets	$ 21,087	$ 21,582
Receivables	1,421	1,931
Rental Equip.	5,325	7,380
# Fixed assets	1,437	1,370
Defer. commissions	110	194
Total Assets	$ 29,380	$ 32,457

Liabilities
(000's)

Notes payable	$ 482	$ 1,279
Long-term debt, curr.	—	2,268
Accts. payable	3,103	4,244
Accruals	3,057	2,965
Curr. Liabilities	$ 6,642	$ 10,756
Long-term debt	7,000	12,038
Deferred income taxes	339	—
+ Common stock	489	403
Add. paid-in capital	20,383	17,771
Deficit	(5,473)	(8,511)
Total Liabilities & Shareholders' Equity	$ 29,380	$ 32,457

* At lower of cost (FIFO) or market.

# Less accumulated depreciation and amortization.

+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	—	3.01
%Net Income to Revenues	0.66	1.48
%Net Income to Equity	0.95	3.34
Working Capital	$ 14,445,000	$ 10,826,000
Current Ratio	3.17	2.01
Shareholders' Equity	$ 15,399,000	$ 9,663,000

Del Electronics Corp.

250 E. Sandford Boulevard
Mount Vernon, New York 10550
(914) 699-2000

Officers: Raymond Kaufman, chairman of the board, president & chief executive officer; Hugo J. DiGiovanni, executive v.p., secretary & treasurer; Walter Young, v.p.-marketing; William Kaufman, v.p.-manufacturing; John Pignataro, v.p.-development engineering; Dominick Congiusti, v.p.-technical operations.

Directors: Raymond Kaufman, chairman; Hugo J. DiGiovanni, Joseph M. Herman, Alfred Schoen, James M. Tiernan, Irving Kaufman.

Areas of Work: Manufacturer of high voltage power supplies including power supplies for tomographic, x-ray equipment, transformers, and high voltage and precision capacitors.

Transfer Agent(s):

The Chase Manhattan Bank
1 Chase Manhattan Plaza
New York, New York 10005

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DELE (NASDAQ)

Number of Employees:

1980	170	1977	164
1979	160	1976	140
1978	150		

Plant Footage:

1980	60,000 sq. ft.	1977	60,000
1979	60,000	1976	60,000
1978	60,000		

Sales and Earnings

	Net Sales	Net Income †
1980	$ 6,225,971	$ 296,995
1979	3,896,216	(97,516)
1978	5,722,005	476,683
1977	4,383,761	389,240
1976	2,548,060	196,068

	No. of Com. Shares	Earn. per Share †#
1980	645,800	$0.46
1979	645,800	—
1978	643,800	0.74
1977	638,875	0.61
1976	631,000	0.31

(Loss)

† Including extraordinary gain of $52,000 ($0.08 per share) in 1977.

# Based on average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.15	—	—
1979	0.15	—	—
1978	0.15	—	—
1977	0.125	—	—
1976	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,686,382	$2.61
1979	1,486,257	2.30
1978	1,679,143	2.61
1977	1,295,177	2.03
1976	979,935	1.55

Income Account *

Year ended July 31	1980	1979
Net sales	$ 6,225,971	$ 3,896,216
Cost of sales	4,553,848	3,118,773
Expenses	1,147,219	976,585
Other income	(10,091)	(10,743)
Income (loss) before taxes	$ 534,995	$ (188,399)
Income taxes (credit)	238,000	(90,883)
Net Income (Loss)	$ 296,995	$ (97,516)

*Included in Costs and Expenses, Depreciation: $36,253 in 1980 and $33,828 in 1979.

Assets

As of July 31	1980	1979
Cash	$ 256,891	$ 161,335
Accts. receiv., net	978,868	706,826
*Inventories	1,099,816	1,094,862
Prepaid expenses	18,327	18,661
Inc. tax refunds	—	122,674

Del Electronics Corp.

Current Assets	$ 2,353,902	$ 2,104,358
# Fixed assets	172,648	169,522
Total Assets	$ 2,526,550	$ 2,273,880

Liabilities

Note payable	$ —	$ 200,000
Accts. payable	259,305	301,254
Accruals	21,297	18,425
Accrued payroll	255,716	224,677
Income taxes	255,982	—
Payroll taxes	47,868	43,267
Curr. Liabilities	$ 840,168	$ 787,623
+ Common stock	64,580	64,580
Add. paid-in capital	330,828	330,828
Retained earnings	1,290,974	1,090,849
Total Liabilities & Shareholders' Equity	$ 2,526,550	$ 2,273,880

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.59	—
%Net Income to Sales	4.77	—
%Net Income to Equity	17.61	—
Sales to Inventories	5.66	3.56
Working Capital	$ 1,513,734	$ 1,316,735
Current Ratio	2.80	2.67
Shareholders' Equity	$ 1,686,382	$ 1,486,257

Designatronics Incorporated

55 South Denton Avenue
New Hyde Park, New York 11040
(516) 328-3300

Officers: Sol Schwartz, president; Joseph Rubenfeld, executive vice president and treasurer; Martin Hoffman, Frank Buchsbaum, senior vice presidents; Hitoshi Tanaka, vice president; Reuben M. Siwek, secretary.

Directors: Frank Buchsbaum, Martin Hoffman, Joseph Rubenfeld, Sol Schwartz, Reuben M. Siwek.

Divisions:

Sterling Instrument Division
New Hyde Park, New York 11040
Manufactures precision mechanical components, including precision gears, differentials, brakes, clutches, couplings, bearings and shafts.

Stock Drive Products Division
New Hyde Park, New York 11040
Manufactures and markets standard and designed-to-order small commercial-quality drive components.

Stock Model Parts Division
55 South Denton Avenue
New Hyde Park, New York 11040
Electro-mechanical training for schools as well as models for hobbyists.

Perfect Gear and Instrument Division
New Hyde Park, New York

Subsidiaries:

United Products Company
55 South Denton Avenue
New Hyde Park, New York 11040
Manufactures various electronic components such as coil forms, insulated terminals, resistor bobbins, terminal boards, metalized and ceramic components and custom-made assemblies.

Designatronics International Sales Corp. (DISC)
New Hyde Park, New York 11040
Engaged in export activities for corporated divisions as well as the products produced by other U.S. manufacturers.

Automatic Coil Corp.
455 East 10th Avenue
Hialeah, Florida 33010
Manufacturer of custom designed inductive components.

Automatic Coil Haiti, Inc., S.A.
Port-au-Prince, Haiti
Products manufactured include a complete line of IF-RF coils, toroids, baluns,bobbins and related windings in addition to specially engineered inductors, transformers, filters, discriminators, a wide range of electronic assemblies, and printed circuit board assemblies.

Transfer Agent(s):

Continental Stock Transfer & Trust Company
19 Rector Street
New York, New York 10006

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 10,680,943	$ 205,793
1979	8,443,320	327,458
1978	7,005,699	117,560
1977	5,684,358	(164,756)
1976	5,796,932	(7,031)

	No. of Com. Shares	Earn. per Share#
1980	760,070	$0.24‡
1979	760,570	0.42
1978	778,070	0.23
1977	778,070	—
1976	778,070	—

(Loss)
# Based on the weighted average number of shares outstanding.
‡ Including extraordinary charge of $123,155 ($0.15 per share).

Revenues By Line of Business

	1980	1979
Electronic	$ 2,261,000	$ 1,902,000
Electromechanical & mechanical	8,420,000	6,541,000
Total	$ 10,681,000	$ 8,443,000

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,211,454	$2.91
1979	2,008,336	2.64
1978	1,699,066	2.18
1977	1,521,506	1.95
1976	1,686,262	2.17

Income Account *

Year ended Aug. 31	1980	1979
Net sales	$ 10,680,943	$ 8,443,320
Cost of sales	6,976,526	5,590,871
Expenses	2,918,705	2,254,127
Other income	(33,714)	(16,103)
Interest expense	312,250	146,005
Income bef. taxes	$ 507,176	$ 468,420
Income taxes	178,228	140,962
Net Income	$ 328,948	$ 327,458
Extraord. charge	123,155	—
Net Income & extraord. charge	$ 205,793	$ 327,458

* Included in Costs and Expenses, Depreciation and Amortization: $148,801 in 1980 and $111,209 in 1979.

Assets

As of Aug. 31	1980	1979
Cash	$ 55,158	$ 132,756
Accts. receiv. net	1,743,381	1,445,988
Sundry debtors	—	14,433
Cert. of deposit	—	110,000
*Inventories	2,664,930	1,969,460
Prepaid expenses	119,816	78,214
Refundable taxes	20,852	59,118
Current Assets	$ 4,604,137	$ 3,809,969
Investments	—	15,600
#Fixed assets	856,717	630,261
Other assets	140,417	98,579
Total Assets	$ 5,601,271	$ 4,554,409

Liabilities

Notes payable	197,683	884,334
Long-term debt, curr.	$ 180,208	$ 186,586
Accts. payable	606,403	607,694
Accruals	492,434	492,069
Income taxes	53,304	165,110
Curr. Liabilities	$ 1,530,032	$ 2,335,793
Long-term debt	1,809,785	190,280
Deferred comp.	50,000	20,000
+ Common stock	32,446	32,446
Add. paid-in capital	720,529	721,829
Retained earnings	1,525,443	1,319,650
Treasury stock	(66,964)	(65,589)
Total Liabilities & Shareholders' Equity	$ 5,601,271	$ 4,554,409

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization
+ $0.04 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.74	5.55
%Net Income to Sales	3.08	3.88
%Net Income to Equity	14.87	16.30
Sales of Inventories	4.01	4.29
Working Capital	$ 3,074,105	$ 1,474,176
Current Ratio	3.01	1.63
Shareholders' Equity	$ 2,211,454	$ 2,008,336

Detection Systems, Inc.

400 Mason Road
Fairport, New York 14450
(716) 223-4060

Officers: Karl H. Kostusiak, president; David G. Davis, v.p., secretary & treasurer; R. David Diederich, v.p.-marketing; David B. Lederer, v.p.-operations; David E. Perlman, v.p.-advanced development.

Directors: Karl H. Kostusiak, David G. Davis, David B. Lederer, David E. Perlman, Wallace M. Juechter, William Manning, Edward C. McIrvine.

Areas of Work: Develops, manufactures and markets electronic security devices, including ultrasonic and photoelectric intrusion detectors and detection devices activated by body heat, for the security industry.

Transfer Agent(s):

Lincoln First Bank, N.A.
Lincoln First Tower
Rochester, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DETC (NASDAQ)

Number of Employees:

1980	158	1977	85
1979	116	1976	85
1978	96		

Plant Footage:

1980	35,000 sq. ft.	1977	23,500
1979	35,000	1976	23,500
1978	23,500		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 6,575,113	$ 420,529
1979	4,668,519	169,915
1978	3,424,211	49,709
1977	3,072,160	91,436

	No. of Com. Shares †	Earn. per Share # ‡
1980	705,596	$0.60
1979	700,075	0.24
1978	726,887	0.07
1977	716,731	0.13

‡ Including extraordinary gains of $9,200 ($0.02 per share) in 1977.
† Adjusted to reflect stock split.
# Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	5-for-4

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 2,068,063	$2.93
1979	1,630,909	2.33
1978	1,469,814	2.02
1977	1,407,105	1.96

† Adjusted to reflect stock split.

Income Account *

Year ended March 31	1980	1979
Net sales	$ 6,575,113	$ 4,668,519
Cost of sales & expenses	5,784,884	4,428,804
Income before taxes	$ 790,229	$ 239,715
Income taxes	369,700	69,800
Net Income	$ 420,529	$ 169,915

* Included in Costs and Expenses, Depreciation and Amortization: $65,241 in 1980 and $40,027 in 1979.

Assets

As of March 31	1980	1979
Cash	$ 371,808	$ 193,944
Marketable securities	20,764	20,764
Accts. receiv., net	1,076,125	714,426
* Inventories	1,584,421	1,196,374
Deferred inc. taxes	78,800	26,800
Prepaid expenses	19,186	5,263
Current Assets	$ 3,151,104	$ 2,157,511
# Fixed assets	450,854	304,936
Total Assets	$ 3,601,958	$ 2,462,447

Liabilities

	1980	1979
Notes payable	$ 100,000	$ 100,000
Installment purchases	6,083	—
Accts. receiv., net	586,027	498,979
Accruals	407,768	158,309
Customer deposits	10,000	2,500
Income tax payable	363,800	41,950
Curr. Liabilities	$ 1,473,678	$ 801,738
Installment purchases	17,417	—
Deferred inc. taxes	42,800	29,800
+ Common stock	36,787	36,787
Add. paid-in capital	1,343,485	1,330,220
Retained earnings	705,874	285,345
Treasury stock	(18,083)	(21,443)
Total Liabilities & Shareholders' Equity	$ 3,601,958	$ 2,462,447

* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.05 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.02	5.13
%Net Income to Sales	6.40	3.64
%Net Income to Equity	20.33	10.42
Sales to Inventories	4.15	3.90
Working Capital	$ 1,677,426	$ 1,355,773
Current Ratio	2.14	2.69
Shareholders' Equity	$ 2,068,063	$ 1,630,909

The Dewey Electronics Corporation

599 Industrial Avenue
Paramus, New Jersey 07652
(201) 261-4100

Officers: Gordon C. Dewey, president; David M. Orth, v.p.-marketing; Frances D. Dewey, treasurer; John G. McQuaid, secretary.

Directors: Frances D. Dewey, Gordon C. Dewey, Peter Eustis, John G. McQuaid, Alexander A. Cameron, Jr., Millard F. West, Jr., James A. Newman.

Areas of Work: A system-oriented electronics research, development, design and manufacturing organization, active in digital techniques, microwave design, sonar equipment, transponders, medical electronics, communications and special purpose equipment.

Subsidiaries:

Pitometer Log Corporation
599 Industrial Avenue
Paramus, New Jersey 07652
(201) 261-4100

Manufacturer of ship speed and distance measuring instrumentation.

HEDCO, Inc.
599 Industrial Avenue
Paramus, New Jersey 07652

Designs, manufactures and markets snow-making machinery.

Transfer Agent(s):

Chemical Bank
20 Pine Street
New York, New York 10008

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DEWY (NASDAQ)

Number of Employees:

1980	75	1978	75
1979	75	1977	75

Plant Footage:

1980	58,000 sq. ft.	1978	58,000
1979	58,000	1977	58,000

Sales and Earnings

	Revenues	Net Income#
1980	$ 5,917,499	$ 212,975
1979	4,532,925	202,817
1978	4,032,138	222,948
1977	2,593,407	(539,816)
1976	3,051,304	46,542

	No. of Com. Shares	Earn. per Share‡#
1980	579,847	$0.36
1979	579,010	0.34
1978	579,159	0.39
1977	581,660	—
1976	593,617	0.08

(Loss)
‡ Based on weighted average number of shares outstanding.
# Including extraordinary gains $69,000 ($0.12 per share) in 1978, and $14,800 ($0.03 per share) in 1976.

Revenues By Line of Business

	1980	1979
Electronic products	$ 4,191,000	$ 3,224,000
Snowmaking equipment	1,726,000	1,309,000
Total	$ 5,917,000	$ 4,533,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.10	—	—
1979	0.05	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,481,713	$4.28
1979	2,322,269	4.01
1978	2,145,642	3.70
1977	1,930,196	3.32
1976	2,458,005	4.19

Income Account *

Year ended June 30	1980	1979
Revenues	$ 5,917,499	$ 4,532,925
Cost of revenues	4,593,170	3,420,367
Expenses	875,681	714,278
Interest expense	63,310	—
Interest income	(58,136)	(4,807)
Income before taxes	$ 443,474	$ 403,087
Income taxes	230,499	200,270
Net Income	$ 212,975	$ 202,817

* Included in Costs and Expenses, Depreciation and Amortization: $38,618 in 1980 and $25,569 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 173,945	$ 535,533
Accts. & notes receiv., net	911,275	577,782
Exc. contract cost	1,483,078	812,381
*Inventories	1,033,477	671,596
Prepaid expenses & other assets	47,938	45,429
Current Assets	$ 3,649,713	$ 2,642,721
Install. receiv.	21,429	31,919
#Fixed assets	799,750	193,246
Intangibles	318,027	344,166
Total Assets	$ 4,768,919	$ 3,212,052

Liabilities

	1980	1979
Notes payable	$ 400,000	$ —
Morig. note payable, curr.	26,526	—
Accts. payable	791,642	544,460
Accruals	187,457	101,672
Customer deposits	45,419	32,000
Income taxes	225,325	10,951
Curr. Liabilities	$ 1,676,369	$ 689,083
Deferred income taxes	130,800	200,700
Morig. note payable	480,037	—
+ Common stock	7,771	7,771
Add. paid-in capital	2,850,009	2,848,545
Retaned earnings (deficit)	198,406	43,349
Treasury stock	(572,523)	(572,596)
Unearned comp.	(1,950)	(4,800)
Total Liabilities & Shareholders' Equity	$ 4,768,919	$ 3,212,052

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Revenues	7.49	8.89
%Net Income to Revenues	3.60	4.47
%Net Income to Equity	8.58	8.73
Working Capital	$ 1,973,344	$ 1,953,638
Current Ratio	2.18	3.84
Shareholders' Equity	$ 2,481,713	$ 2,322,269

Di-An Controls, Inc.

944 Dorchester Avenue
Boston, Massachusetts 02125
(617) 288-7700

Officers: Robert D. Kodis, president & treasurer; James B. Marcus, vice president, general counsel, asst. treasurer & clerk.

Directors: Robert D. Kodis, James B. Marcus, Lawrence Rosenfeld, Peter Segel, Stanley Rose, Daniel Judge.

Areas of Work: Manufactures and services computer peripheral printers and data terminals used in on-track betting, entertainment ticketing, airline boarding and ticketing systems, and a variety of other commercial uses; label printers.

Transfer Agent(s):

American Transfer Co.
44 Beaver Street
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DICC (NASDAQ)

Number of Employees:

1980	126	1978	100
1979	126		

Plant Footage:

1980	72,000 sq.ft.	1977	72,000
1979	72,000	1976	72,000
1978	72,000		

Sales and Earnings

	Net Sales	Net Income †
1980	$ 3,925,745	$ 198,081
1979	2,853,381	(25,674)
1978	2,488,875	279,617
1977	2,556,128	306,127
1976	2,339,255	125,888

	No. of Com. Shares	Earn. per Share #†
1980	825,405	$0.24
1979	825,405	—
1978	825,405	0.34
1977	825,405	0.37
1976	825,405	0.15

(Loss)

† Including extraordinary credits of $31,000 ($0.04 per share) in 1980, $114,500 ($0.14 per share) in 1978, $136,000 ($0.16 per share) in 1977, and $54,000 ($0.06 per share) in 1976.

# Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,378,499	$1.67
1979	1,180,418	1.43
1978	1,206,092	1.46
1977	926,475	1.12
1976	620,348	0.75

Income Account *

Year ended Dec. 31	1980	1979
Net Sales	$ 3,925,745	$ 2,853,381
Other income	52,821	53,059
Total income	$ 3,978,566	$ 2,906,440
Cost of sales	3,149,872	2,379,578
Expenses	457,911	489,875
Interest expense	63,430	28,933
Prov. for loss contingency	24,272	25,728
Income (loss) before taxes	$ 283,081	$ (17,674)
Income taxes	116,000	8,000
Net Income (Loss)	$ 167,081	$ (25,674)
Extraord. credit	31,000	—
Net Income (Loss) & extraord. credit	$ 198,081	$ (25,674)

* Included in Costs and Expenses, Depreciation: $38,708 in 1980 and $31,438 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 33,910	$ 1,207
Accts. receiv., net	321,974	606,952
Refund. inc. taxes	—	7,281
Deferred inc. taxes	25,500	—
* Inventories	1,546,939	1,460,009
Prepaid expenses	10,816	18,953
Current Assets	$ 1,939,139	$ 2,094,402
# Fixed assets	180,523	175,461
Other assets	15,902	15,340
Total Assets	$ 2,135,564	$ 2,285,203

Liabilities

Notes payable	$ —	$ 308,000
Long-term debt, curr.	13,205	17,914
Accts. payable	294,984	416,394
Accruals	147,595	118,617
Accrued payroll	42,280	76,183
Customer deposits	31,404	39,030
Inc. taxes	101,655	—
Curr. Liabilities	$ 631,123	$ 976,138
Long-term debt	115,442	128,647
+ Common stock	82,541	82,541
Add. paid-in capital	1,123,551	1,123,551
Retained earnings (Deficit)	172,407	(25,674)
Total Liabilities & Shareholders' Equity	$ 2,135,564	$ 2,285,203

* At lower of est. cost (FIFO) or net realizable value.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.21	—
%Net Income to Sales	4.26	—
%Net Income to Equity	12.12	—
Sales to Inventories	2.54	1.95
Working Capital	$ 1,308,016	$ 1,118,264
Current Ratio	3.07	2.15
Shareholders' Equity	$ 1,378,499	$ 1,180,418

DICOMED Corporation

9700 Newton Avenue South
Minneapolis, Minnesota 55431
(612) 887-7100

Officers: Wayne R. Huelskoetter, president; William J. Cosgriff, secretary; Ronald D. Cox, treasurer.

Directors: Frederick W. Lang, Frank C. Mullaney, George G. Walker, Jr., Roy J. Gavin, Wayne R. Huelskoetter, Willis K. Drake, Alan K. Ruvelson.

Areas of Work: Engaged in the development, design, production and marketing of digital image processing equipment, including image recorders, image display and image digitizer products.

Transfer Agent(s):

First Trust Company of St. Paul
St. Paul, Minnesota

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DCOM (NASDAQ)

Sales and Earnings

	Net Sales	Net Income‡
1980	$ 5,400,047	$ 562,416
1979	4,101,448	355,741
1978	2,177,532	(65,078)
1977	1,339,663	(121,891)
1976	1,228,010	69,628

	No. of Com. Shares	Earn. per Share#‡
1980	814,716	$0.93
1979	503,205	0.69
1978	496,205	—
1977	481,622	—
1976	481,622	0.14

(Loss)

‡ Including extraordinary gains of $216,000 ($0.36 per share) in 1980, $83,000 ($0.16 per share) in 1979 and $25,000 ($0.05 per share) in 1976.

# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	3-for-2‡

‡ Declared April 14, 1981.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 4,012,281	$4.92
1979	635,606	1.26
1978	258,865	0.52
1977	297,851	0.62
1976	419,742	0.87

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 5,400,047	$ 4,101,448
Cost of sales	3,856,517	2,929,506
Expenses	793,578	644,402
Interest expense	109,536	171,799
Income before taxes	$ 640,416	$ 355,741
Income taxes	294,000	83,000
Net Income	$ 346,416	$ 272,741
Extraord. gain	216,000	83,000
Net Income & Extraord. gain	$ 562,416	$ 355,741

* Included in Costs and Expenses, Depreciation and Amortization: $57,212 in 1980 and $27,033 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 2,214,358	$ 10,774
Acct. receiv., net	1,457,137	970,423
*Inventories	1,465,084	742,248
Prepaid expenses & deposits	257,311	47,978

Current Assets	$ 5,393,890	$ 1,771,423
#Fixed assets	216,933	210,590
Other assets	57,766	69,922
Total Assets	$ 5,668,589	$ 2,051,935

Liabilities

Long-term debt	$ 36,096	$ 31,058
Notes payable	—	201,232
Accts. payable	517,492	213,585
Accrued payroll	179,827	90,082
Other liabilities	44,755	45,934
Income taxes	171,761	38,000
Curr. Liabilities	$ 949,931	$ 619,891
Long-term. debt	706,377	796,438
+ Common stock	24,441	15,096
Add. paid-in capital	4,378,288	1,573,374
Deficit	(390,448)	(952,864)
Total Liabilities & Shareholders' Equity	$ 5,668,589	$ 2,051,935

* At cost (FIFO) or market, whichever is lower.
# Less accumulated depreciation.
+ $0.03 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.86	8.67
%Net Income to Sales	6.42	6.65
%Net Income to Equity	8.63	42.91
Sales to Inventories	3.69	5.53
Working Capital	$ 4,443,959	$ 1,151,532
Current Ratio	5.68	2.86
Shareholders' Equity	$ 4,012,281	$ 635,606

Diebold, Incorporated

Canton, Ohio 44711
(216) 489-4000

Officers: Raymond Koontz, chairman of the board & chief exec. officer; Frank D. Robinson, president & chief administrative officer; Earl F. Wearstler, exec. v.p.; Charles B. Scheurer, v.p.-industrial relations; Louis V. Bockius, v.p.-manufacturing; Harry E. Parr, Jr., v.p.-finance & treasurer; Michael J. Mokodean, v.p.-legal & asst. treasurer; Harry O. Seitzinger, v.p., controller & asst. treasurer; M. Charee Francis, secretary; Elwood C. Wilson, asst. secretary.

Directors: Louis V. Bockius, Daniel T. Carroll, Harry E. Parr, Jr., Donald R. Gant, Raymond Koontz, Donald L. Maggin, Frank D. Robinson, W.R. Timken, Earl F. Wearstler.

Areas of Work: Engaged in the manufacture, sale, installation and service of systems and equipment sold to financial institutions.

Divisions and Subsidiaries:

Diebold Bank/Systems Division
818 Mulberry Road, S.E.
Canton, Ohio 44711
(216) 489-4000

Hamilton Plant Division
1550 Grand Boulevard
Hamilton, Ohio 45011
(513) 863-5900

The Diebold Company of Canada, Limited
Barrie, Ontario, Canada
(705) 737-1100

International Division
818 Mulberry Road, S.E.
Canton, Ohio 44711
(216) 489-4000

Newark Plant Division
P.O. Box 2328
Newark, Ohio 43055
(614) 928-1010

Wooster Plant Division
P.O. Box 680
Old Mansfield Road
Wooster, Ohio 44691
(216) 264-9536

Canton Plant Division
Canton, Ohio

Hamilton Plant Division
Hamilton, Ohio

Transfer Agent(s):

Citibank,N.A.
111 Wall Street
New York, New York 10043

Stock Exchange(s): New York

Ticker Symbol: DBD

Number of Employees:

1980	5,906	1977	5,196
1979	6,291	1976	5,132
1978	5,650		

Plant Footage:

1980	1,666,780 sq. ft.	1977	1,935,999
1979	1,852,130	1976	1,935,999
1978	2,006,770		

Sales and Earnings

	Net Sales	Net Income
1980	$346,928,000	$ 21,238,000
1979	305,195,543	18,160,732
1978	228,611,113	9,321,778
1977	190,517,585	4,840,619
1976	180,122,940	7,271,265

	No. of Com. Shares ‡	Earn. per Share ‡
1980	5,712,687	$3.72
1979	5,700,170	3.19
1978	5,699,784	1.64
1977	5,699,540	0.85
1976	5,699,460	1.28

‡ Based on the average number of shares outstanding adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$137,257,000	$23.95
1979	119,226,858	20.92
1978	104,770,962	18.38
1977	98,577,056	17.30
1976	96,586,009	16.95

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$346,928,000	$305,195,543
Cost of sales	243,072,000	215,719,359
Expenses	62,480,000	54,105,000
Oper. profit	$ 41,376,000	$ 35,371,094
Other income	1,561,000	2,022,865
Total	$ 42,937,000	$ 37,393,959
Interest expense	1,939,000	2,440,662
Debt disc. & exp.	30,000	31,557
Other charges	840,000	288,208
Income before taxes	$ 40,128,000	$ 34,633,532
Income taces	18,890,000	16,472,800
Net Income	$ 21,238,000	$ 18,160,732

* Included in Costs and Expenses, Depreciation and Amortization: $2,216,000 in 1980 and $2,191,425 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 11,592,000	$ 5,995,430
Cert. of deposit	4,210,000	6,647,107
Notes receiv., other	700,000	2,025,962
Accts. receiv., net	86,733,000	86,852,120
Other receiv.	7,147,000	1,989,313
*Inventories & contracts in process	58,237,000	63,669,060
Prepaid expense	1,969,000	2,577,996
Current Assets	$170,588,000	$169,756,988
Investments	4,016,000	—
Notes receiv.	3,285,000	275,519
#Fixed assets	19,305,000	20,631,106
Intangibles	2,480,000	3,739,195
Total Assets	$199,674,000	$194,402,808

Liabilities

Long-term debt, curr.	$ 2,460,000	$ 2,460,000
Notes payable	—	7,500,000
Accts. payable & other liabilities	30,520,000	33,777,473
Deferred Income Taxes	8,071,000	—
Income taxes	—	7,558,053
Curr. Liabilities	$ 41,051,000	$ 51,295,526
Long-term debt	19,490,000	21,950,000
Deferred inc. taxes	1,876,000	1,930,424
+ Common stock	14,089,000	12,775,518
Add. paid-in capital	67,095,000	67,094,947
Retained earnings	56,167,000	39,356,393
Less treasury stock	(94,000)	—
Total Liabilities & Shareholders' Equity	$199,674,000	$194,402,808

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.57	11.35
%Net Income to Sales	6.12	5.95
%Net Income to Equity	15.47	15.23
Sales to Inventories	5.96	4.79
Working Capital	$129,537,000	$118,461,462
Current Ratio	4.16	3.31
Shareholders' Equity	$137,257,000	$119,226,858

Digi- Log Systems, Inc.

Babylon Road
Horsham, Pennsylvania 19044
(215) 672-0800

Officers: Ronald G. Moyer, chairman of the board & president; Thomas M. Emory, Jr., v.p.-technology & secretary; Joseph C. Linsalata, v.p.-finance & treasurer; Mark R. Jolliffe, v.p.-manufacturing.

Directors: Ronald G. Moyer, Thomas M. Emory, Jr., Peter Taraborelli, Ross C. Gwinner, L. John Ankney, Karl J. Uhl.

Areas of Work: Develops, manufactures and markets a standard product line of video display data communiations and diagnostic test equipment for industrial, commercial, and institutional end users; and customized intelligent programmable data terminals under conract to other original equipment maufacturers or systems users. Standard products, consisting of the Telecompter II, Data Line Monitor, and Display Controller are sold through independent representatives and regional sales managers, with "off-the-shelf" delivery; custom products are sold by the sales managers and management and are built-to-order. Also maufactures the Microterm II, a desk-top intelligent CRT-based work station containing an intelligent, user-programmable CRT terminal with dual microprocessors, a unique high speed page printer, dual mini-diskette drives and an auto-dial and auto-answer communications interface and dual communiations ports, for the micro-computer systems business.

Digi-Log Systems, Inc.

Acquisition(s):

D.E.C. Electronic Corporation (June 1980)
Engaged in the manufacture of printed circuit boards.

Transfer Agent(s):

Industrial Valley Bank and Trust Company
634 Hamilton Mall
Allentown, Pennsylvania 18101

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DILO (NASDAQ)

Sales and Earnings

	Net Sales	Net Income‡
1980	$ 8,365,529	$ 680,863
1979	5,120,717	(56,617)
1978	5,255,876	533,111
1977	4,518,707	651,242
1976	2,896,249	334,912

	No. of Com. Shares	Earn. per Share#‡
1980	1,374,474	$0.50
1979	1,179,376	—
1978	1,184,615	0.45
1977	1,113,139	0.59
1976	1.063,283	0.31

(Loss)

† Restated to include operations of companies acquired on a pooling of interests basis.

‡ Including extraordinary gains of $97,875 ($0.08 per share) in 1978, $298,200 ($0.27 per share) in 1977 and $152,000 ($0.14 per share) in 1976.

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflects stock dividends.

Revenues By Line of Business

	1980	1979
Digi-Log Systems, Inc.	$ 7,763,343	$ 4,447,587
D.E.C.	727,477	733,887
Total	$ 8,490,820	$ 5,181,474

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	25% & 20%	—

Common Stock Equity ‡

	Total Equity	Equity Per Share ‡
1980	$ 2,363,133	$1.72
1979	1,677,520	1.42
1978	1,755,044	1.48

† Restated to include operations of companies acquired on a pooling of interests basis.

‡ Based on the weighted average number of common shares and common share equivalens outstanding to reflect stock dividends.

Income Account *

Year ended Sept. 30	1980	1979†
Net sales	$ 8,365,529	$ 5,120,717
Other income	125,291	60,757
Total income	$ 8,490,820	$ 5,181,474
Cost of sales	5,158,266	3,595,108
Selling expenses	1,290,636	758,056
Gen. & adm. expenses	543,482	484,469
Research & develop. costs	611,524	460,803
Interest expense	68,049	63,754
Income (loss) before taxes	$ 818,863	$ (180,716)
Income taxes (credit)	138,000	(124,099)
Net Income (Loss)	$ 680,863	$ (56,617)

* Included in Costs and Expenses, Depreciation and Amortization: $243,470 in 1980 and $191,082 in 1979.

‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets

As of Sept. 30	1980	1979†
Cash	$ 364,683	$ 1,416,221
Accts. receiv., net	2,128,813	861,057
Inc. taxes receiv.	—	167,062
* Inventories	1,447,900	1,007,994
Prepaid expenses	137,536	106,510
Other curr. assets	23,167	—
Current Assets	$ 4,102,099	$ 3,558,844
Notes receiv.	171,445	—
Investments	18,750	24,000
#Fixed assets	897,563	695,430
Other assets	—	5,175
Total Assets	$ 5,189,859	$ 4,283,449

Liabilities

	1980	1979†
Notes payable	$ 118,000	$ 147,341
Long-term debt, curr.	45,000	45,000
Accts. payable	671,387	802,863
Accruals	268,227	187,315
Advance cust. payments	—	203,776
Cap. lease oblig., curr.	11,313	—
Income taxes payable	—	14,194
Deferred inc. taxes	124,040	25,440
Curr. Liabilities	$ 1,237,967	$ 1,425,929
Long-term debt	1,535,000	1,180,000
Cap. lease oblig.	53,759	—
+ Common stock	12,114	8,123
Add. paid-in capital	1,568,322	1,556,675
Retained earnings	891,644	216,419
Treasury stock	(32,464)	(32,464)
Unrealized loss on invest.	(76,483)	(71,233)
Total Liabilities & Shareholders' Equity	$ 5,189.859	$ 4.283,449

‡ Restated to include operations of companies acquired on a pooling of interests basis.

* At lower of cost (FIFO) or market.

# Less accumulated depreciation and amortization

+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.79	—
%Net Income to Sales	8.14	—
%Net Income to Equity	28.81	—
Sales to Inventories	5.78	5.08
Working Capital	$ 2,864,132	$ 2,132,915
Current Ratio	3.31	2.50
Shareholders' Equity	$ 2,363,133	$ 1,677,520

Digital Equipment Corporation

146 Main Street
Maynard, Massachusetts 01754
(617) 897-5111

Officers: Kenneth H. Olsen, president; C. Gordon Bell, v.p.-engineering; Alfred M. Bertocchi, v.p.-finance & administration; Winston R. Hindle, Jr., v.p.-corp. operations; Andrew C. Knowles, III, v.p.-Technical group; Stanley C. Olsen, v.p.-computer products group; Edward A. Schwartz, v.p., secretary & general counsel; Edward Kramer, v.p.-U.S. sales; Irwin Jacobs, v.p.-commercial OEM group; Theodore G. Johnson, v.p.-corp. marketing; Richard J. Clayton, v.p.-manufacturing technology; William C. Hanson, v.p.-mfg. personnel; John F. Smith, v.p.-manufacturing; Sheldon A. Davis, v.p.-personnel; William H. Long, v.p.-sales & int'l; Julius L. Marcus, v.p.-commercial group; Gerald T. Moore, v.p.-retail products group; Jean-Claude Peterschmitt, v.p.-Europe; Lawrence J. Portner, v.p.-assoc. head. engineering; Robert W. Puffer, III, v.p.-mass storage mfg; John J. Shields, v.p.-customer services; William R. Thompson, controller; George A. Chamberlain, III, treasurer.

Directors: Vernon R. Alden, Arnaud de Vitry, Kenneth H. Olsen, Dorothy E. Rowe, William H. McLean, Georges F. Doriot, Philip Caldwell.

Areas of Work: Designs, manufactures, sells and services computers and associated peripheral equipment, and related software and supplies. The Company's products are used world-wide in a variety of applications and programs, including scientific research and computation, communications, education, data analysis, industrial control systems, time sharing systems, commercial processing systems, health care, instrumentation, engineering and simulation.

Subsidiaries:

Equipo Digital, S.A. de C.V.
Apartado Postal 12-1009
Mexico 12, D.F.

Digital Equipment Corporation O.Y.
Soukantie 14
SF-02360 Sourra, Finland

Digital Equipment Comercio e Industria, Ltda.
Avenida Augusto Severo, 156-B
Lapa ZC06
20,000 Rio de Janeiro-Guanabara
Brazil

Computer Insurance Company Limited
Reid House, P.O. Box 1826
Hamilton, 5-24 Bermuda

Digital Computer Hong Kong Limited
71. Catchick Street
13th floor, Green Island House
Kennedy Town, Hong Kong

Digital Computer Taiwan Limited
Taiwan, Republic of China
Digital Equipment GmbH
West Germany

Digital Equipment Ireland Limited
Republic of Ireland

Digital Equipment Scotland Limited
Shiel House, Craigshill
G-B Livingston, West Lothian
Scotland

Digital Equipment B.V.
KAAP Horndreef 38
P.O. Box 9064
Utrecht, Holland

DEC Realty Trust
Maynard, Massachusetts

Digital Equipment N.V.S.A.
108 Rue D'Arlon
B-1040 Bruxelles, Belgium

Digital Incorporated
Digital International Sales Corporation
DEC SYS Computers Ltd.
7 Habikuk Street
Tel Aviv, Israel

Digital Equipment Corporation International (Europe)
12, avenue des Mogines
Case Postale 510
1213 Petit-Lancy 1, Geneva
Switzerland

Digital Equipment Corp. A/S
Tonheimsveien 47
N-Oslo 5, Norway

Digital Equipment Corporation Ges. m.b.H.
Mariahilferstrasse 136
A-1150 Wien 15, Austria

Digital Equipment Corporation New Zealand, Limited
Suite 18, Hilton House
430 Queen Street
P.O. Box 2471
Auckland, New Zealand

Digital Equipment Taiwan Limited
13-2 Nan Hsin Li, Tachi
Taoyuan, Taiwan
Republic of China

Digital Equipment Corporation ApS
Hellerupvej 66
DK-2900 Helleup, Denmark

Digital Equipment of Canada Ltd.
100 Herzberg Road
Kanata, Ontario, Canada
(613) 592-5111

Digital Equipment International GmBH
D-8000 Munich 40
Wallensteinplatz 2, West Germany

Digital Equipment Australia Pty. Ltd.
123-125 Willoughby Road
P.O. Box 491-Crows Nest
New South Wales 2065, Australia

Digial Equipment Co. Limied
Fountain House, Butts Centre
Reading Berkshire RG 17 QN
United Kingdom

Digital Equipment France S.A.R.L.
2 Place Gustave Eiffel
Cidex L225
18, Rue Saarinen
94 533 Rungis, France

Digital Equipment AB
Englundsvaagen 7
S-17141 Solna, Sweden

Digital Equipment Corporation de Puerto Rico
P.O. Box 106
San German, Puerto Rico 00753
(809) 892-1946

Digital Equipment S.p.A.
Coso Garibaldi 49
1-20121 Milano, Italy

Digital Equipment International Limited
Switzerland

Digital Growth, Inc.
Digital Realty Limited
Digial Equipment Singapore (PTE) Limited

Digital Equipment Corp. S.A.
20. Quai Ernest Ansermet
Boite Postale 23
CH-1211 Geneva 8, Switzerland

Digital Equipment Corporation International
Maynard Massachusetts

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York, Boston*, Phila-Balt-Wash*, Midwest*, Pacific, Cincinnati*

*Unlisted trading privileges.

Ticker Symbol: DEC

Number of Employees:

1980	55,600	1977	30,500
1979	41,500	1976	22,000
1978	37,500		

Plant Footage:

1980	11,100,000 sq.ft.	1977	8,000,000
1979	10,800,000	1976	5,600,000
1978	10,100,000		

Sales and Earnings

	Net Sales # (000's)	Net Income (000's)
1980	$ 2,368,045	$ 249,861
1979	1,804,092	178,434
1978	1,436,562	142,189
1977	1,058,614	108,500
1976*	736,288	73,400

	No. of Com. Shares ‡	Earn. per Share ‡
1980	47,200	$5.45
1979	44,900	4.10
1978	43,200	3.40
1977	38,991	2.78
1976	37,066	1.98

*53 weeks.
‡ Based on the average number of shares outstanding adjusted to reflect stock split.
# Includes services and other revenues.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	—
1978	—	—	—
1977	—	—	3-for-1

Common Stock Equity

	Total Equity (000's)	Equity Per Share ‡
1980	$ 1,651,749	$36.25
1979	1,120,236	27.59
1978	904,758	22.69
1977	735,463	18.73
1976	606,045	15.61

‡ Based on weighted average number of common shares and common share equivalents adjusted to reflect stock split.

Income Account *
(000's)

Year ended	6/28/80	6/30/79
Net sales	$ 1,779,466	$ 1,381,756
Other income	588,579	422,336
Total revenues	$ 2,368,045	$ 1,804,092
Cost of sales	1,319,912	1,012,257
Expenses	665,359	508,394
Interest expense	26,996	24,262
Interest income	(53,829)	(35,753)
Income before taxes	$ 409,607	$ 294,932
Income taxes	159,861	116,498
Net Income	$ 249,861	$ 178,434

*Included in Costs and Expenses, Depreciation: $69,809,000 in 1980 and $57,655,000 in 1979.

Assets
(000's)

As of	6/28/80	6/30/79
Cash & temp. cash invest.	$ 616,286	$ 433,023
Accts. receiv. net	629,063	475,067
*Inventories	819,924	513,530
Prepaid expenses	30,646	18,871
Deferred taxes	40,693	23,480
Current Assets	$ 2,136,612	$ 1,463,971
# Fixed assets	529,456	399,209
Total Assets	$ 2,666,068	$ 1,863,180

Liabi...'es
(000's)

Loans payable	$ 7,555	$ 11,992
Long-term debt, curr.	1,035	972
Accts. payable	103,104	86,839
Accrued payroll	85,925	65,963
Def. rev. & adv.	69,770	57,083
Income taxes	153,518	129,621
Other liabilities	57,489	34,650
Curr. Liabilities	$ 478,396	$ 387,120
Long-term debt	489,722	340,714
Deferred inc. taxes	46,201	15,110
+ Common stock	45,569	40,606
Add. paid-in capital	675,110	398,421
Retained earnings	931,070	681,209
Total Liabilities & Shareholders' Equity	$ 2,666,068	$ 1,863,180

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	17.30	16.35
%Net Income to Revenues	10.55	9.89
%Net Income to Equity	15.13	15.93
Working Capital	$1,658,216,000	$1,076,851,000
Current Ratio	4.47	3.78
Shareholders' Equity	$1,651,749,000	$1,120,236,000

Diodes Incorporated

8900 Winnetka Avenue
Northridge, California 91324
(213) 998-4445

Officers: W. Loyd, president, treasurer & chairman of the board; C.A. Benak, vice president & secretary; Gerhard J. Borner, A.F. Ottobre, Jack Willis, v.p.'s.

Directors: Wilbert Lloyd, chairman; C.A. Benak, Jack Willis, Gerhard J. Borner, A.F. Ottobre, Ted G. Slate.

Areas of Work: Manufactures electronic semiconductor devices, including silicon rectifiers and rectifier assemblies.

Divisions and Subsidiaries:

Power Components Division
Northridge, California 91324
(213) 882-6992

Atlantic Semiconductor Division
Northridge, California 91324
(213) 882-4920

Diodes Sales Division
Northridge, California 91324
(213) 882-4920

Nanticoke Semiconductor Division
Northridge, California 91324
(213) 882-3514

Rectifiers Division
Northridge, California 91324
(213) 82-7030

Windsor Semiconductor Division
Northridge, California 91324
(213) 882-7030

Diodes International Sales Corporation (DISC)
8900 Winnetka Avenue
Northridge, California 91324
(213) 998-4427

Diodes Limited
16, The Broadway
Newbury, Berkshire, England

Diomex S.A.
Mexicali
Baja California, Mexico

Rectificedores, S.A.
Mexicali
Baja, California
Mexico

Diodes Incorporated

Transfer Agent(s):

Continental Stock Transfer &
& Trust Company

Stock Exchange(s): American

Ticker Symbol: DIO

Number of Employees:

1980	411	1977	343
1979	407	1976	298
1978	403		

Plant Footage:

1980	62,625 sq. ft.	1977	50,900
1979	62,525	1976	46,700
1978	51,250		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 4,829,890	$ (525,653)
1979	5,319,855	79,404
1978	4,983,808	153,774
1977	4,037,706	(41,687)
1976	3,126,097	(729,848)

	No. of Com. Shares	Earn. per Share + ‡
1980	1,846,076	$ —
1979	1,846,076	0.04
1978	1,846,076	0.08
1977	1,846,076	—
1976	1,846,226	—

(Loss)
‡ Including extraordinary gains of $30,800 ($0.01 per share) in 1979 and $68,700 ($0.03 per share) in 1978.
+ Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,913,137	$1.04
1979	2,438,790	1.32
1978	2,359,386	1.28
1977	2,205,612	1.19
1976	2,236,640	1.21

Income Account *

Year ended April 30	1980	1979
Net sales	$ 4,829,890	$ 5,319,855
Other income	31,026	13,911
Total Income	$ 4,860,916	$ 5,333,766
Cost of sales	4,368,594	4,323,625
Expenses	932,963	877,352
Interest expense	72,718	29,855
Income (loss) before taxes	$ (513,359)	$ 102,934
Income taxes	12,294	54,330
Net Income (Loss)	$ (525,653)	$ 48,604
Extraordinary gain	—	30,800
Net Income (Loss) & extraord. gain	$ (525,653)	$ 79,404

*Included in Costs and Expenses, Depreciation and Amortization: $151,034 in 1980 and $173,535 in 1979.

Assets

As of April 30	1980	1979
Cash	$ 75,885	$ 99,140
Invest. in KDI Corp.	552,346	—
Accts. receiv., net	812,296	822,363
*Inventories	745,320	654,122
Prepaid expenses	60,065	29,161
Current Assets	$ 2,245,912	$ 1,604,786
Invest. in KDI Corp.	—	552,346
# Fixed assets	825,843	891,002
Intangibles	4,608	6,911
Receiv. from off. & emp.	47,348	42,865
Total Assets	$ 3,123,711	$ 3,097,910

Liabilities

Notes payable	$ 453,314	$ 101,870
Long-term debt, curr.	22,747	21,133
Accts. payable & accruals	547,955	333,211
Income taxes	14,778	16,858
Other taxes	72,405	63,926
Curr. Liabilities	$ 1,111,199	$ 536, 998
Long-term debt	99,375	122,122
+ Common stock	1,282,685	1,282,685
Add. paid-in capital	272.172	272,172
Retained earnings	524,453	1,050,106
Treasury stock	(166,173)	(166,173)
Total Liabilities & Shareholders' Equity	$ 3,123,711	$ 3,097,910

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.66⅔ par value.

Statistical Summary

%Income bef. Taxes to Sales	—	1.93
%Net Income to Sales	—	0.91
%Net Income to Equity	—	1.99
Sales to Inventories	6.48	8.13
Working Capital	$ 1,134,713	$ 1,067,788
Current Ratio	2.02	2.99
Shareholders' Equity	$ 1,913,137	$ 2,438,790

Dionics, Inc.

65 Rushmore Street
Westbury, New York 11590
(516) 997-7474

Officers: Bernard L. Kravitz, president; Sherman Gross, v.p., secretary & treasurer, Hugo Colombi, v.p.-mfg.

Directors: Bernard L. Kravitz, Sherman Gross, Gregory Coleman, Sidney M. Gross, Solomon Berkowitz, H. Frederick Johnston, Hans W. Lange.

Areas of Work: Engaged in the development, manufacture and marketing of high-voltage integrated circuits used for driving gas discharge digital displays.

Subsidiaries:

Dionics International, Inc. (DISC)
Manufactures discrete and integrated circuit electronic components, in chip orpackaged form.

Transfer Agent(s):

Schroder Trust Company
New York, New York

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980 65

Plant Footage:

1980 . . . . . . 11,000 sq.ft.

Sales and Earnings

	Net Sales	Net Income #
1980	$ 2,204,200	$ (201,600)
1979	2,438,600	62,300
1978	1,894,500	(230,600)
1977	1,090,000	(516,800)
1976	1,441,550	15,071

	No. of Com. Shares +	Earn. per Share # +
1980	593,700	$ —
1979	587,050	0.11
1978	587,050	—
1977	560,800	—
1976	582,199	0.03

(Loss)
# Including extraordinary gain of $17,200 ($0.03 per share) in 1979.
+ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$ —	—	—
1979	—	—	—
1978	—	—	—
1977	—	5%	—
1976	0.05	5%	--

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 549,600	$0.93
1979	522,300	0.89
1978	460,000	0.78
1977	690,600	1.23
1976	1,147,390	1.97

+ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 2,204,200	$ 2,438,600
Cost of sales	1,818,200	1,669,900
Expenses	556,000	632,600
Doubtful accts.	7,800	19,600
Interest expense	95,600	85,600
Other income	(71,800)	(31,400)
Income (Loss) before taxes	$ (201,600)	$ 62,300
Income taxes	—	17,200
Net Income (Loss)	$ (201,600)	$ 45,100
Extraord. gain	—	17,200
Net Income (Loss) & Extraord. gain	$ (201,600)	$ 62,300

* Included in Costs, and Expenses, Depreciatin: $98,500 in 1980 and $138,200 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 481,600	$ 378,000
Accts. receiv., net	322,700	319,100
* Inventories	314,900	259,700
Other curr. assets	20,600	24,400
Current Assets	$ 1,139,800	$ 981,200
# Fixed assets	551,400	531,200
Deposits & other assets	5,100	4,400
Total Assets	$ 1,696,300	$ 1,516,800

Liabilities

Accts. payable & accruals	$ 366,400	$ 350,100
Short-term bank loan payable	335,000	275,000
Long-term debt, curr.	115,500	105,200
Curr. Liabilities	$ 816,900	$ 730,300
Long-term debt	329,800	264,200
+ Common stock	6,500	5,900
Add. paid-in capital	1,295,500	1,067,200
Deficit	(752,400)	(550,800)
Total Liabilities & Shareholders' Equity	$ 1,696,300	$ 1,516,800

Statistical Summary

%Income bef. Taxes to Sales	—	2.55
%Net Income to Sales	—	1.85
%Net Income to Equity	—	8.63
Sales to Inventories	7.00	9.39

Working Capital	$ 322,900	$ 250,900
Current Ratio	1.40	1.34
Shareholders' Equity	$ 549,600	$ 522,300

Docutel Corporation

(24% owned by Ing. C. Olivetti and C. S.p.A.)

106 Decker Drive, Las Colinas
Irving, Texas 75062
(214) 258-8610

Mailing Address:

P.O. Box 222306
Dallas, Texas 75222

Officers: B.J. Meredith, chairman of the board and chief executive officer; George Saterson, president and chief operating officer; N.A. Stuart, executive vice president; Homer J. Kirby, senior vice president, general counsel and secretary; James E. Cunningham, William W. Gentry, Gerald W. Irion, Frank R. Marlow, v.p.'s; Valda C. Johnson, Controller.

Directors: George C. Briggs, B.J. Meredith, Emmett R. DeMoss, Jr., P. Michael Wells, Per Olov Rimvall, Elserino M. Piol.

Areas of Work: Develops, manufactures and services automated financial transaction systems of which the principal products are the Docuteller, an automated currency dispensing machine, and the Total Teller, an automated machine performing most of the routine tasks of a bank teller. Markets Olivetti teller terminals and financial systems. Also engaged in the manufacture and sale of knit sweaters and shirts through its Pine State Knitwear subsidiary.

Transfer Agent(s):

Allied Bank of Texas
P.O. Box 3326
Houston, Texas 77001

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DCTL (NASDAQ)

Sales and Earnings

	Net Sales +	Net Income ‡
1980	$ 53,278,000	$ 4,716,000
1979	34,880,000	4,247,000
1978	33,952,951	2,875,709
1977	25,314,514	(8,255,702)
1976	31,292,837	1,648,724

	No. of Com. Shares	Earn. per Share ‡#
1980	2,749,346	$1.39
1979	2,563,556	1.33
1978	2,563,456	0.90
1977	2,563,456	—
1976	2,563,456	0.51

(Loss)
+ Of continuing operations: includes service revenues.
‡ Including extraordinary credits of $890,000 ($0.26 per share) in 1980, $1,889,000 ($0.59 per share) in 1979, $1,204,852 ($0.38 per share) in 1978, and $757,753 ($0.29 per share) in 1976.
# Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	5-for-4‡

‡ Declared January 28, 1981.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 26,706,000	$9.71
1979	19,134,000	7.47
1978	14,886,158	5.81
1977	12,010,449	4.69
1976	20,266,151	7.91

Income Account *

Year ended Dec. 31	1980	1979
Net Sales & services	$ 53,278,000	$ 34,880,000
Cost of sales & serv.	34,944,000	23,682,000
Expenses	11,452,000	7,160,000
Other (income) expense	365,000	(311,000)
Income bef. taxes	$ 6,517,000	$ 4,349,000
Income taxes	2,691,000	1,991,000
Net Income	$ 3,826,000	$ 2,358,000
Extraord. credit	890,000	1,889,000
Net Income & extraord. credit	$ 4,716,000	$ 4,247,000

* Included in Costs and Expenses, Depreciation and Amortization: $689,000 in 1980 and $420,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash & cash equivalents	$ 7,297,000	$ 6,654,000
Accts. receiv., net	8,261,000	7,220,000
* Inventories	17,452,000	10,742,000
Prepaid expenses	395,000	300,000
Curr. Assets	$ 33,405,000	$ 24,916,000
Fixed Assets	4,370,000	3,842,000
Other Assets	613,000	689,000
Total Assets	$ 38,388,000	$ 29,447,000

Liabilities

	1980	1979
Long-term debt, curr.	$ 720,000	$ 500,000
Accts. payable & accruals	6,347,000	4,541,000
Cust. adv.	901,000	3,011,000
Curr. Liabilities	$ 7,968,000	$ 8,052,000
Long-term debt	3,420,000	2,261,000
Deferred income taxes	294,000	—
+ Common stock	275,000	256,000
Add. paid-in capital	23,428,000	20,591,000
Retained earnings (deficit)	3,003,000	(1,713,000)
Total Liabilities & Shareholders' Equity	$ 38,388,000	$ 29,447,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales & Services	12.23	12.47
%Net Income to Sales Services	7.18	6.76
%Net Income to Equity	14.33	12.32
Working Capital	$ 25,437,000	$ 16,864,000
Current Ratio	4.19	3.09
Shareholders' Equity	$ 26,706,000	$ 19,134,000

Dranetz Engineering Laboratories, Inc.

1000 New Durham Road
Edison, New Jersey 08817
(201) 287-3680

Officers: Abraham I. Dranetz, chairman of the board and president; Irving Backinoff, sr. v.p.; Ezra Mintz, Anthony W. Orlacchio, Robert O. Wilson, vice presidents; Benjamin Weiner, secretary; John T. Lawler, treasurer.

Directors: Abraham I. Dranetz, chairman; Irving Backinoff, Marianna Dranetz, Ezra Mintz, Benjamin Weiner.

Areas of Work: Engaged in the conception, design, development, manufacture and marketing of precision electronic instrumentation for use in a variety of commercial, industrial, and governmental applications. Specific product areas include test equipment for phase angle measurement, test instrumentation for electric utilities, and power line monitoring equipment for data processing, communications, etc.

Transfer Agent(s):

Continental Stock Transfer & Trust Company
19 Rector Street
New York, New York 10006

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DRAN (NASDAQ)

Number of Employees:

1980	219	1977	155
1979	219	1976	122
1978	182		

Plant Footage:

1980	75,000 sq.ft.	1977	15,000
1979	75,000	1976	15,000
1978	22,000		

Sales and Earnings

	Net Sales +	Net Income
1980	$ 15,562,406	$ 2,082,188
1979	12,007,333	1,662,560
1978	8,400,593	1,110,156
1977	6,467,670	794,763
1976	3,110,524	205,293

	No. of Com. Shares ‡	Earn. per Share ‡
1980	2,048,543	$1.02
1979	2,033,363	0.82
1978	2,006,700	0.55
1977	1,951,686	0.41
1976	1,914,100	0.11

+ Includes other income.
‡ Based on weighted average number of shares outstanding, adjusted to reflect stock dividends.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.05	50%	—
1979	0.03	—	—
1978	0.03	100%	—

+ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 6,299,551	$3.08
1979	4,306,251	2.12
1978	2,702,682	1.35
1977	1,646,641	0.86

‡ Based on weighted average number of shares outstanding adjusted to reflect stock dividends.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 15,325,901	$ 11,894,609
Other income	236,505	112,724
Total income	$ 15,562,406	$ 12,007,333
Cost of sales	7,989,422	6,268,641
Expenses	3,487,934	2,506,332

Income before taxes	$ 4,085,050	$ 3,232,360
Income taxes	2,002,862	1,569,800
Net Income	$ 2,082,188	$ 1,662,560

* Included in Costs and Expenses, Depreciation and Amortization: $128,690 in 1980 and $70,270 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 160,168	$ 138,141
Investments	2,135,394	986,678
Accts. receiv., net	2,077,046	1,533,903
* Inventories	2,686,222	2,164,349
Prepaid expenses	23,285	32,764
Current Assets	$ 7,082,115	$ 4,855,835
# Fixed assets	659,579	421,448
Other assets	380,395	348,920
Total Assets	$ 8,122,089	$ 5,626,203

Liabilities

Accts. payable	$ 301,776	$ 212,970
Accruals	381,226	368,584
Accrued inc. taxes	548,957	351,810
Mortgage payable	16,780	15,727
Notes payable, curr.	13,362	—
Curr. Liabilities	$ 1,262,101	$ 949,091
Notes payable	53,965	—
Mortgage payable	165,029	181,809
Deferred inc. taxes	341,443	189,052
+ Common stock	205,634	136,050
Add. paid-in capital	602,943	589,947
Retained earnings	5,490,974	3,580,254
Total Liabilities & Shareholders' Equity	$ 8,122,089	$ 5,626,203

* At lower of cost (FIFO) or market.
# Less accumulated depreciation
+ $0.10 par value.

Statistical Summary

% Income before Taxes to Sales	26.65	27.18
% Net Income to Sales	13.59	13.98
% Net Income to Equity	33.05	38.61
Sales to Inventories	5.71	5.50
Working Capital	$ 5,820,014	$ 3,906,744
Current Ratio	5.61	5.12
Shareholders' Equity	$ 6,299,551	$ 4,306,251

Drexler Technology Corporation

2557 Charleston Road
Mountain View, California 94043
(415) 969-7277

Officers: Jerome Drexler, chairman of the board & president; Wayne R. Lundberg, exec. v.p.; Craig L. Evans, v.p.-finance, chief financial officer, controller & treasurer; Jerald E. Rosenblum, secretary.

Directors: Jerome Drexler, chairman; Joseph B. Arnold, Eugene Kleiner, William E. McKenna, Wayne R. Lundberg.

Areas of Work: Supplies microimaging products and services to semiconductor, computer, and electronics industries. Products include photoplates, photomasks, photochemicals, and related equipment for integrated circuit manufacture; and optical memory discs for laser recording and archival data storage, high-density data storage materials for computer optical memories.

Subsidiaries:

Microfab Systems Corporation
3960 Fabian Way
Palo Alto, California 94303
(415) 965-1750

Precision Photoglass, Inc.
2557 Charleston Road
Mountain View, California 94043
(415) 961-0700

Precision Photoglass, Inc. (International)
2557 Charleston Road
Mountain View, California 94043
(415) 961-0700

Transfer Agent(s):

Crocker National Bank
P.O. Box 38005
Rincon Annex
San Francisco, California 94138

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DRXR (NASDAQ)

Number of Employees:

1981	174	1978	145
1980	183	1977	147
1979	153	1976	128

Plant Footage:

1981 . . . . . . 86,000 sq. ft.

Sales and Earnings

	Net Sales	Net Income
1981	$ 14,612,000	$ 1,592,000
1980	16,835,800	1,296,679
1979	14,169,156	886,733
1978	11,689,003	701,477
1977	10,329,245	421,370

	No. of Com. Shares #	Earn. per Share #
1981	1,676,000	$0.95
1980	1,503,520	0.86
1979	1,481,583	0.60
1978	1,444,395	0.48
1977	1,392,884	0.30

(Loss)
# Based on the weighted average number of shares outstanding during the year.

Revenues By Line of Business

	1981	1980	1979	1978
Photoplates & photochemicals	54%	65%	71%	70%
Photomasks	46	35	29	30
Total	100%	100%	100%	100%

Common Stock Equity

	Total Equity	Equity Per Share #
1981	$ 20,394,000	$12.17
1980	5,345,437	3.56
1979	3,781,582	2.55
1978	2,721,514	1.88
1977	2,040,147	1.46

# Based on the weighted average number of shares outstanding during the year.

Income Account *

Year ended	3/27/81	3/28/80
Net sales	$ 14,612,000	$ 16,835,800
Cost of sales	10,413,000	12,174,688
Expenses	2,174,000	2,187,908
Interest expense	—	6,236
Other income	(890,000)	(123,211)
Income before taxes	$ 2,915,000	$ 2,590,179
Income taxes	1,323,000	1,293,500
Net Income	$ 1,592,000	$ 1,296,679

* Included in Costs and Expenses, Depreciation and Amortization: $542,000 in 1980 and $462,480 in 1979.

Assets

As of	3/27/81	3/28/80
Cash	$ 14,763,000	$ 1,766,537
Accts. receiv., net	2,063,000	2,499,939
* Inventories	2,164,000	1,654,305
Other assets	40,000	74,083
Def. tax benefits	150,000	189,200
Interest receiv.	362,000	51,645
Current Assets	$ 19,542,000	$ 6,235,709
# Fixed assets	2,137,000	1,562,673
Other assets	246,000	17,488
Total Assets	$ 21,925,000	$ 7,815,870

Liabilities

Accts. payable	$ 660,000	$ 964,056
Accruals	500,000	823,793
Income taxes	67,000	357,984
Current Liabilities	$ 1,227,000	$ 2,145,833
Deferred inc. taxes	304,000	324,600
+ Common stock	15,298,000	1,841,742
Retained earnings	5,096,000	3,503,695
Total Liabilities & Shareholders' Equity	$ 21,925,000	$ 7,815,870

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.20 par value.

Statistical Summary

%Income bef. Taxes to Sales	19.95	15.38
%Net Income to Sales	10.90	7.70
%Net Income to Equity	7.81	24.26
Sales to Inventories	6.75	10.18
Working Capital	$ 18,315,000	$ 4,089,876
Current Ratio	15.93	2.91
Shareholders' Equity	$ 20,394,000	$ 5,345,437

Dual-Lite, Inc.

63 South Main Street
Newtown, Connecticut 06470
(203) 426-8021

Officers: Stephen J. Ziff, president & chief exec. officer; Edward J. Musbach, v.p.-U.S. Emergency Lighting Div.; Randall Klein, v.p.-New England Circuits; Peter Insalaco, v.p.-material control; Gaston Allard, v.p.-Canadian operations; James Carson, v.p.-marketing; Richard Sieron, v.p.-research & development; Paul Suprono, v.p.-wiring products division; William Luca, v.p.-finance.

Directors: Stephen J. Ziff, Seymour J. Ziff, John Westergaard, Gerald Fahringer.

Areas of Work: Engaged in the development and manufacture of emergency lighting and power equipment. Also produces wiring products, non-residential lighting fixtures, and printed circuit boards.

Divisions:

Emergency Lighting Divison
Wiring Products Division

Subsidiaries:

Dual-Lite Products, Ltd.
9345 Pascal Gagnon
St. Leonard, Quebec, H1P 1Z4
Canada
(514) 326-8000

Dual-Lite Caribe, Inc.
P.O. Box 1917 Ceramica Annex
Carolina, Puerto Rico 00630
(809) 762-8316

Dual-Lite of Puerto Rico
P.O. Box 1917 Ceramica Annex
Carolina, Puerto Rico 00630
(809) 762-8316

New England Circuits, Inc.
Columbus Circle
Congress Park
Merrimack, New Hampshire 03054
(603) 424-4747

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DUAL (NASDAQ)

Number of Employees:

1980	690	1977	406
1979	690	1976	312
1978	693		

Plant Footage:

1980	293,000 sq. ft.	1977	156,400
1979	233,000	1976	128,200
1978	318,400		

Sales and Earnings

	Net Sales +	Net Income
1980	$ 37,455,944	$ 1,079,279
1979	32,474,906	1,881,970
1978	23,549,489	3,535,755
1977	19,546,882	3,047,603
1976	16,704,080	2,631,783

	No. of Com. Shares	Earn. per Share ×
1980	2,264,609	$0.48
1979	2,253,534	0.83
1978	2,202,100	1.60
1977	2,126,670	1.40
1976	2,084,070	1.23

+ Of continuing operations only; includes other income.
× Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.32	—	—
1979	0.32	—	—
1978	0.28	—	—
1977	0.23	—	—
1976	0.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 16,238,723	$7.17
1979	15,848,179	7.03
1978	14,518,131	6.59
1977	11,080,592	5.21
1976	8,445,961	4.05

Income Account *

Year ended June 30	1980	1979
Net sales	$ 36,871,565	$ 32,150,902
Other income	584,379	324,004
Total income	$ 37,455,944	$ 32,474,906
Cost of sales	19,881,434	16,013,060
Expenses	14,521,871	11,432,261
Interest expense	1,402,349	397,830
Income before taxes	$ 35,805,654	$ 27,843,151
Income taxes	111,178	109,381
Inc. from cont. oper.	$ 1,539,112	$ 4,522,374
Loss from discont. oper.	(459,833)	(2,640,404)
Net Income	$ 1,079,279	$ 1,881,970

* Included in Costs and Expenses, Depreciation and Amortization: $831,875 in 1980 and $522,133 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 759,838	$ 1,510,665
Certif. of deposit	—	5,056,880
Accts. receiv., net	8,028,189	6,956,530
* Inventories	7,923,622	6,233,045
Prepaid expenses	431,057	297,002
Net liquid. value of discon. oper.	—	430,686
Current Assets	$ 17,142,706	$ 20,484,808
# Fixed assets	10,602,823	7,761,966
Intangibles	1,225,637	1,305,132
Other assets	1,494,941	324,308
Total Assets	$ 30,466,107	$ 29,876,214

Liabilities

	1980	1979
Notes payables	$ 959,277	$ 733,308
Accts. payable	3,677,601	2,532,522
Accruals	393,282	284,046
Accrued payroll	642,833	417,992
Income taxes	—	291,078
Provision for losses of discon. business	—	110,000
Dividends payable	178,835	177,867
Interest payable	244,439	71,349
Curr. Liabilities	$ 6,096,267	$ 4,618,162
Notes payable	7,900,998	9,160,134
Deferred income taxes	156,468	136,111
Other non-current liabilities	73,651	113,628
+ Common stock	22,646	22,535
Add. paid-in capital	3,989,419	3,918,728
Retained earnings	12,595,121	12,229,208
Unearned compensation	(368,463)	(322,292)
Total Liabilities & Shareholders' Equity	$ 30,466,107	$ 29,876,214

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.01 stated value.

Statistical Summary

	1980	1979
%Net Income to Equity	6.65	11.87
Sales to Inventories	4.65	5.16
Working Capital	$ 11,046,439	$ 15,866,646
Current Ratio	2.81	4.44
Shareholders' Equity	$ 16,238,723	$ 15,848,179

Ducommun Incorporated

612 South Flower Street
Los Angeles, California 90017
(213) 612-4200

Officers: Wallace W. Booth, chairman of the board, president & chief executive officer; David G. Schmidt, v.p.-finance & treasurer; Robert M. Walker, v.p.-personnel; John F. Darcy, Paul E. Berney, v.p.'s; H. Richard Byrne, controller; Vince H. Otte, treasurer; Alan N. Ducommun, secretary.

Directors: Charles E. Ducommun, Alan N. Ducommun, Edmond G. Ducommun, George B. Gose, Arthur D. MacDonald, Richard J. Pearson, Richard D. DeLauer, Dale D. Myers, Wallace W. Booth, Charles W. Missler, David G. Schmidt.

Areas of Work: Engaged in the distribution of metals and electronic components. Produces reinforcing bar fabricating equipment.

Divisions and Subsidiaries:

Kieruiff Electronics, Inc.
2585 Commerce Way
Los Angeles, California 90040
(213) 725-0325

Engaged in the distribution of semi-conductors, tubes, resistors, capacitors, potentiometers, transformers, relays, switches, micro-circuits, electronic testing equipment and electronic production supplies; repair and calibration of electric and electronic instruments; manufacture of special and custom shunts, transformers toroids.

Kierulff/Palo Alto
3969 East Bayshore Road
Palo Alto, California 94303
(415) 968-6292

Kierulff/San Diego
8797 Balboa Avenue
San Diego, California 92123
(714) 278-2112

Kierulff/Phoenix
4134 East Wood Road
Phoenix, Arizona 85040
(602) 243-4101

Kierulff/Seattle
1005 Andover Park East
Tukwila, Washington 98188
(206) 575-4420

Kierulff/Denver
10890 East 47th Avenue
Denver, Colorado 80239
(303) 371-6500

Kierulff/Boston
13 Fortune Drive
Billerica, Massachusetts 01821
(617) 667-8331

Kierulff/Minnesota
5280 West 7th Street
Edina, Minnesota 55435
(612) 835-4388

Kierulff/Wisconsin
2212 East Moreland Boulevard
Waukesha, Wisconsin 53186
(414) 784-8160

Kierulff/Portland
14273 N.W. Science Park Drive
Portland, Oregon 97229
(503) 641-9150

Kierulff/Chicago
1530 Landmerer Road
Elk Grove Village, Illinois 60007
(312) 640-0200

Kierulff/New Jersey
3 Edison Place
Fairfield, New Jersey 07006
(201) 575-6750

Kierulff/Tustin
14101 Franklin Avenue
Tustin, California 92680
(714) 731-5711

Kierulff/Florida
3247 Tech Drive
St. Petersburg, Florida 33702
(813) 576-1966

Kierulff/Salt Lake City
3965-1987 South Street
Broadbent Business Center
Salt Lake City, Utah 84120
(801) 973-6913

Metermaster Group

Metermaster/Los Angeles
5646 Jillson Street
Los Angeles, California 90040
(213) 685-4340

Calibrates and sells instruments and test equipment to specifications.

Metermaster/Phoenix
2633 East Buckeye Road
Phoenix, Arizona 85034
(602) 244-9441

Metermaster/Dallas
2809 National Drive
Garland, Texas 75041
(214) 271-5671

Metermaster/San Diego
8799 Balboa Avenue
San Diego, California 92123
(714) 560-4841

Metermaster/Chicago
121 Gordon Street
Elk Grove Village, Illinois 60007
(312) 593-8650

Metermaster/Palo Alto
3995 East Bayshore Road
Palo Alto, California 94303
(415) 968-0313

Air Distributors, Inc.
9120 Flint Street
Overland Park, Kansas 66214
(800) 255-3025

Kierulff Airlin Supply
2301 Del Amo Blvd.
Carson, California 90249
(213) 774-6050

Serves the airline industry after-market.

R.G. Wallace Co., Inc.
2301 Del Amo Blvd.
Carson, California 90249
(213) 774-6050
1930 Junction Avenue
San Jose, California 95131
(408) 279-4560

Supplies specialized aircraft and electronic hardware and fasteners.

Ducommun Metals Company
4890 South Alameda Street
Los Angeles, California 90058
(213) 588-0161

Engaged in he distribution of ferrous and nonferrous metals, tools, abrasives,fasteners and industrial supplies.

Digital Machines International
7560 Convoy Court
San Diego, California 92111
(714) 565-1711

Engaged in the manufacture of fully integrated, digitally controlled, tape operated reinforcing bar benders and shearing machines; has developed computer softward package to estimate, detail, shear, bend and package a complete reinforcingbar job.

Transfer Agent(s):

Security Pacific National Bank
P.O. Box 30376
Los Angeles, California 90030

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DUCM (NASDAQ)

Number of Employees:

1979	1,940	1977	1,613
1978	1,702	1976	1,542

Sales and Earnings †

	Net Sales	Net Income
1980	$ 349,266,000	$ 5,778,000
1979	325,200,000	5,511,000
1978	245,437,000	3,528,000
1977	197,253,000	1,261,000
1976	169,105,000	1,536,000

	No. of Com. Share +	Earn. per Share ‡
1980	1,744,005	$3.34
1979	1,697,865	3.17
1978	1,684,425	1.98
1977	1,684,070	0.63
1976	1,666,430	0.78

† Restated to reflect change in accounting method to comply with FASB Statement No. 43 concerning compensated absences.
+ Adjusted to reflect stock dividend.
‡ Based on the average number of shares outstanding adjusted to reflect stock dividend.

Revenues By Line of Business
(000's)

	1980	1979
Metals distrib.	$ 188,829	$ 185,225
Electronics distrib.	153,717	135,790
Other	6,720	4,185
Total	$ 349,266	$ 325,200

Common Stock

	Cash Dividend +	Stock Dividen	Stock Split
1980	$0.675	20%†	—
1979	0.42	—	—
1978	0.33	—	—
1977	0.33	—	—
1976	0.33	—	—

+ Adjusted to reflect stock dividend.
† Declared Jan., 1981.

Common Stock Equity ‡

	Total Equity	Equity Per Share +
1980	$ 41,169,000	$23.61
1979	36,086,000	21.25
1978	31,322,000	18.60
1977	28,543,000	16.95

‡ Restated to reflect change in accounting method.
+ Adjusted to reflect stock dividend.

Income Account *
(000's)

Year ended Dec. 31	1980	1979‡
Net sales	$ 349,266	$ 325,200
Cost of sales	259,347	246,799
Expenses	71,854	64,167
Depreciation & amortization	1,978	1,394
Interest expense	5,662	2,765
Other income	(159)	(300)
Income before taxes	$ 10,584	$ 10,375
Income taxes	4,806	4,864
Net Income	$ 5,778	$ 5,511

‡ Restated to reflect change in ccounting method.

Assets
(000's)

As of Dec. 31	1980	1979‡
Cash	$ 2,123	$ 1,466
Trade receiv., net	45,941	44,653
*Inventories	74,221	65,217
Other assets	1,998	1,852
Current Assets	$ 124,283	$ 113,188
#Fixed assets	11,482	8,872
Other assets	568	274
Total Assets	$ 136,333	$ 122,334

Liabilities
(000's)

Notes payable	$ 5,000	$ 2,500
Long-term debt, curr.	2,240	1,577
Accts. payable & accruals	40,929	39,006
Income taxes	449	1,768
Other taxes	807	897
Dividends payable	260	212
Curr. Liabilities	$ 49,685	$ 45,960
Long-term debt	45,042	39,226
+Redeemable preferred stock:		
Series C	437	1,062
+ +Common stock	3,714	3,055
Add. paid-in capital	7,978	2,361
Retained earnings	29,477	30,670
Total Liabilities & Shareholders' Equity	$ 136,333	$ 122,334

‡ Restated to reflect change in accounting method.
* At lower of cost or market. Steel, aluminum, brass and copper stated at LIFO; remainder at FIFO.
# Less accumulated depreciation and amortization.
+$100 par value; 6¼% cumulative, nonvoting.
+ + $2 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.03	3.19
%Net Income to Sales	1.65	1.69
%Net Income to Equity	14.03	15.27
Sales to Inventories	4.71	4.99
Working Capital	$ 74,598,000	$ 67,228,000
Current Ratio	2.50	2.46
Shareholders' Equity	$ 41,169,000	$ 36,086,000

E.I. du Pont de Nemours & Company

1007 Market Street
Wilminton, Delaware 19898
(302) 774-1000

Officers: Edward J. Jefferson, chairman of the board; Richard E. Heckert, president; William G. Simeral, Robert C. Forney, Robert J. Richardson, David K. Barnes, senior vice presidents; William A. Bours, III, Robert J. Blair, John D. Cullen, William E. Buxbaum, Carl De Martino, Richard E. Emmert, Charles E. Welch, Dale E. Wolf, Roger E. Drexel, John A. Klacsmann, Harold E. May, John C. Metzger, Jr., Everett B. Yelton, Edgar S. Woolard, Jr., David F. Marvin, vice presidents; C. Raeford Minix, treasurer; G. Vernon Huber, William E. Taylor, Jr., A. Herbert Nehrling, Jr., Thomas A. Casadevall, James H. Snowden, assistant treasurers; John J. Quindlen, comptroller; Martin G. Mand, Conlyn E. Noland, Howard L. Siers, Joseph S. Finch, William Resnick, asst. comptrollers; Donald E. Pease, secretary; Roger W. Arrington, Louis R. Wonderly, David J. Hellmann, Gertrude H. Wulff, assistant secretaries.

Directors: Edward G. Jefferson*, chairman of the board; Irving S. Shapiro*, Richard E. Heckert*, Lammot du P. Copeland, David K. Barnes*, H. Rodney Sharp, III, Robert C. Forney*, Andrew F. Brimmer, Margaret P. MacKimm, Robert J. Richardson*, Norman A. Copeland, Joseph A. Dallas, Charles L. Brown, Gilbert E. Jones, Irenee du Pont, Jr., Edward B. du Pont, George P. Edmonds, Crawford H. Greenewalt, Edward R. Kane, Howard W. Johnson, Wm. Winder Laird, Hugh R. Sharp, Jr., William G. Simeral*, Howard W. Swank.

*Member of Executive Committee.

Areas of Work: Develops, manufactures and markets fabrics and finishes, including acrylic, alkyd, polyester, fluorocarbon, urethane, and other finishes; acrylic epoxy, fluorocrbon, and polyimide resin coatings and composites for electrical and structural purposes; synthetic elastomer coated fabrics and sheeting; waxes and polishes, radiator chemicals, and oil and gasoline additives; cellulose sponge products; textile fibers, including nylon, aramid, polyester, spandex and fluoropolymer yarns; polyester fiberfill and acrylic, nylon, and polyester staple for textile, carpet and industrial uses; polyester, polyethylene and polypropylene fibrous spunbonded sheet structures; polyester and cellulosic fibrous spunlaced sheet structures. Also produces basic chemicals, intermediates, and solvents including acids, amines and derivatives, aniline,butanediol, cyanides, formaldehyde, inoraganic salts, methanol, peroxides, silicates, sodium, and tetrahydrofuran. Titanium dioxide white pigments, inorganic and organic color pigments, zircon and staurolite heavy mineral sands, and ferric chloride. Dyes and organic chemicals for textile, paper, leather, and other basic industries. Specialty chemicals including catalysts, chrome complexes, colloidal silica, electroplating products, galvanizing fluxes, and reagents. Catalytic fume abatement systems. Photo products include X-ray, graphic arts, and engineering reproduction films, chemicals and processing equipment. Printing plates, proofing systems and related equipment and chemicals. Systems for electronic uses, including connectors, photo resists, conductive compositions, and magnetic products. Clinical, biomedical and special purpose analytical instruments. Other major product groups include biochemicals, elastomer chemicals, petrochemicals, and plastic products and resins.

Industrial Departments:

Biochemicals Department
Fabrics & Finishes Department
Chemicals and Pigments Department
Petrochemicals Department
International Department
Photo Products Department
Polymer Products Department
Textile Fibers Department

Subsidiaries:

DuPont Asia Pacific Limited
United States

DuPont International Sales Corporation
Wilmington, Delaware

Remington Arms Company, Inc.
Bridgeport, Connecticut

Colorquium S.A.

DuPont Taiwan Ltd.
Taipei, Taiwan

DuPont Taiwan Chemicals Ld.
Taipei, Taiwan

DuPont (Australia) Limited
Sydney, Australia

DuPont (New Zealand) Ltd.
New Zealand

Endo Laboratories, Inc.
Garden City, New York

DuPont S.A. de C.V.
Mexico, D.F., Mexico

DuPont (U.K.) Limited
London, England

DuPont de Colombia, S.A.
Bogota, Colombia

DuPont de Nemours (Belgium)
Brussels, Belgium

Brandywine Assurance Company Ltd.
Bermuda

Quimica DuPont Centro America, S.A.
Guatemala

DuPont de Nemours (Deutschland) GmbH
Dusseldof, Germany

DuPont de Nemours International S.A.
Carouge, (Geneva), Switzerland

DuPont de Nemours Italiana S.p.A.
Milan, Italy

DuPont de Nemours S.A.
Contern, Luxembourg

DuPont Photolux, S.A.
Luxembourg

DuPont de Nemours (Nederland) B.V.
Dordrecht, Netherlands

Lacas y Pinturas, S.A.
Spain

DuPont Sistemas de Interconexiones
Mexicanos, S.A. de C.V., Mexico

DuPont (Hong Kong) Ltd.
Hong Kong

DuPont de Nemours Nordiska A.B.
Marsta, Sweden

DuPont de Venezuela C.A.
Caracas, Venezuela

DuPont do Brasil S.A.
Sao Paulo, Brazil

DuPont Far East Inc.
Wilmington, Delaware

Comercial Quimica Peru S.A.
Lima, Peru

DuPont de Nemours (France) S.A.
Paris, France

Caribe Biochemicals, Inc.
Puerto Rico

DuPont Fibres S.A.
Luxembourg

DuPont (Japan) K.K.
Japan

DuPont (Singapore) Electronics Pvt. Ltd.
Singapore

Affiliated Companies:

La Domincia, S.A. de C.V. (49% owned)
Mexico, D.F., Mexico

Desarrollo Quimico Industrial, S.A. (50% owned)
Madrid, Spain

Ducilo, S.A. (82.81% owned)
Buenos Aires, Argentina

Allied Eneabba Pty. Ltd. (59% owned)
Australia

DuPont Canada (74.88% owned)
Montreal, Quebec, Canada

Mitsui Fluorochemicals Company, Ltd. (50% owned)
Tokyo, Japan

Mitsui Polychemicals Company, Ltd. (50% owned)
Tokyo, Japan

Pigmentos Y Productos Quimicos S.A. de C.V. (49% owned)
Mexico, D.F., Mexico

DuPont Exploration (33.33% owned)
United States

PD Magnetics B.V. (50% owned)
Netherlands

Showa Neoprene K.K. (50% owned)
Tokyo, Japan

Tetraetilo de Mexico, S.A. (59% owned)
Mexico, D.F., Mexico

Toyo Products Company, Ltd. (50% owned)
Tokyo, Japan

Quimica Fluor, S.A. de C.V. (32.88% owned)
Mexico

Nylon de Mexico, S.A. (40% ownd)
Mexico

Butachimie (50% owned)
France

Syngas (66.4% owned)
United States

Transfer Agent(s):

Chemical Bank
55 Water Street
New York, New York 10041

Robert F. Kearney
1007 Market Street
Wilmington, Delaware 19898

Stock Exchange(s): New York

Ticker Symbol: DD

Number of Employees:

1980	135,900	1977	132,000
1979	134,200	1976	132,500
1978	131,800		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 13,652,000	$ 716,000
1979	12,572,000	939,000
1978	10,584,200	787,000
1977	9,434,800	545,100
1976	8,361,000	459,300

	No. of Com. Shares ‡	Earn. per Share ‡
1980	146,374,952	$4.83
1979	144,657,454	6.42
1978	144,126,192	5.39
1977	145,087,545	3.69
1976	144,875,124	3.10

‡ Based on the average number of common shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1980 (millions)	%	1979 (millions)	%
Chemicals	$ 2,153	16%	$ 2,133	17%
Plastics	2,990	22	2,834	23
Specialty prods.	4,015	29	3,460	27
Fibers	4,494	33	4,145	33
Total	$ 13,652	100%	$ 12,572	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.75	—	—
1979	2.75	—	3-for-1
1978	2.41⅔	—	—
1977	1.91⅔	—	—
1976	1.75	—	—

Common Stock Equity

	Total Equity ‡ (000's)	Equity Per Share
1980	$ 5,453,000	$37.21
1979	5,075,000	35.07
1978	4,523,000	31.37
1977	4,080,000	28.37
1976	3,791,000	26.17

‡ After allowing for preferred stock at stated values.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 13,652,000	$ 12,571,800
Other income	149,000	130,000
Total income	$ 13,801,000	$ 12,701,000
Cost of sales	10,293,000	8,999,400
Expenses	1,466,000	1,251,600
Depreciation & obsolescence	804,000	786,800
Interest expense	110,000	142,100
Income before taxes	$ 1,128,000	$ 1,522,000
Income taxes	402,000	564,900
Minority interest	10,000	18,200
Net Income	$ 716,000	$ 938,900

Assets
(000's)

As of Dec. 31	1980	1979
Cash & marketable securities	$ 219,000	$ 369,800
Accts. & notes receiv., net	2,110,000	1,958,500
*Inventories	2,010,000	2,000,500
Prepaid expenses	151,000	118,500
Current Assets	$ 4,490,000	$ 4,447,300
Investments	276,000	234,000
# Fixed assets	4,414,000	3,942,000
Other assets & investments	380,000	316,500
Total Assets	$ 9,560,000	$ 8,940,200

E.I du Pont de Nemours & Company

Liabilities
(000's)

Short-term borrowings	$ 393,000	$ 230,100
Accts. payable	830,000	774,900
Accruals	318,000	324,700
Income taxes	387,000	409,700
Curr. Liabilities	$ 1,928,000	$ 1,739,400
Long-term debt	1,068,000	1,066,900
Cap. lease oblig.	34,000	36,900
Other liabilities	124,000	128,700
Minority interest	72,000	110,000
Deferred invest. tax credit	320,000	282,300
Deferred inc. taxes	324,000	263,900
+ Preferred stock:		
$4.50 series	167,000	167,300
$3.50 series	70,000	70,000
+ + Common stock	244,000	243,000
Add. paid-in capital	432,000	399,600
Retained earnings	4,777,000	4,474,200
Treasury stock	—	(42,000)
Total Liabilities & Shareholders' Equity	$ 9,560,000	$ 8,940,200

*Domestic inventories at cost (LIFO); foreign inventories at lower of cost (average cost method) or market.
# Less accumulated depreciation and obsolescence.
+ No per value; cumulative.
+ + $1.66⅔ par value.

Statistical Summary

%Income bef. Taxes to Sales	8.26	12.11
%Net Income to Sales	5.24	7.47
%Net Income to Equity	12.58	17.67
Sales to Inventories	6.79	6.28
Working Capital	$2,562,000,000	$2,707,900,000
Current Ratio	2.33	2.56
Shareholders' Equity	$5,690,000,000	$5,312,100,000

Dynalectron Corporation

1313 Dolly Madision Boulevard
McLean, Virginia 22101
(703) 356-0480

Officers: Jorge Carnicero, chairman of the board; Charles G. Gulledge, president and chief executive officer; Merlon F. Richards, exec. v.p. and chief operating officer; Daniel R. Bannister, sr. v.p.-Technical Services Group; G.W. Walter Ewalt, sr. v.p.-Electrical Contracting Group; Earl W. Holdgraf, sr. v.p.-Hydrocarbon Group; David F.G. Larkman, sr. v.p.-Environmental Group; John P. Schelling, sr. v.p.-Administration Group and corporate secretary; T. Eugene Blanchard, sr. v.p. and chief financial officer; Erle M. Constable, v.p.-finance; Bernard L. Denker, v.p.-Hydrocarbon Group; James H. Duggan, v.p.-Commercial Aviation Services; Gerald A. Dunn, v.p. and controller; Starr C. Galloway, v.p.-human resources; Randolph S. Nunnally, v.p.-Facilities Services Divisions; David L. Reichardt, v.p. and general counsel; Jack E. Vestal, v.p.-Aerospace Operations Division; Robert W. Allen,general auditor; Richard A. Hutchinson, treasurer.

Directors: Jorge Carnicero*, chairman; James D. Berry, Charles G. Gulledge*, John H.F. Haskell, Jr.*, Oliver G. Haywood*, Seymour S. Mintz*, Raymond J. Mulligan*, Edwin G. Phillips*, Merlon F. Richards*.

*Member of the Executive Committee.

Operating Groups:

Technical Services Group
Provides diversified technical, scientific, and support services for both military and civil aviation.

Airtech Service, Inc.
Miami, Florida

Servair Inc.
McLean, Virginia

Government Support Services

Facilities Services
Albuquerque, New Mexico

Aerospace Operations Division
Fort Worth, Texas

PAC ORD
Long Beach, California

International

ITS International, Inc.
McLean, Virginia

Electrical Contracting Group
Provides electrical contracting services, including design and installation of specialized automation systems and mechanical construction.

Dynalectric Company*
McLean, Virginia

* Also at: Vienna, Virginia; Miami, Fort Lauderdale, Florida; Atlantic City, New Jersey; Wilmington, Delaware; Owensboro, Kentucky; Atlanta, Georgia; Los Angeles, California; Las Vegas, Nevada; Denver, Colorado.

State Electric Company Limited
Toronto, Ontario, Canada

ANECO Company
Clearwater, Florida

B & B Contracting & Supply Company
Dallas, Texas

Hydrocarbon Group
Engaged in the development, engineering, and construction of processes for the petroleum, chemical synthetic fuel, and other industrial process industries. Current projects include coal liquefaction and alternative fuels.

Hydrocarbon Research, Inc.
Miami, Florida

HRI Research and Development

HRI Research and Development
Lawrenceville, New Jersey

HRI Engineering
Miami, Florida

Environmental Group
Engaged in the construction of secondary and tertiary wastewater and sewage treatment plants. Also provides special insulation and designs and fabricates complex process instrumentation for major industrial process facilities including chemical plants, refineries, water purificatins and sewage treatment plants.

TRANS-DYN Corporation
Martinez, California

Fuller-Austin Insulation Company
Houston, Texas

Fuller-Austin of Canada, Limited
Calgary, Alberta, Canada

Solar Insulators, Inc.
Houston, Texas

Affiliates:

Dynarabia Company Limited
Al Khobar, Saudi Arabia

Mid-East Technical Services, Ltd.
Riyadh, Saudi Arabia

Transfer Agent(s):

Republic National Bank of Dallas
Corporate Trust Division
P.O. Box 2964
Dallas, Texas 75221

Stock Exchange(s): American, Boston, Philadelphia

Ticker Symbol: DYN

Sales and Earnings

	Revenues	Net Income
1980	$ 442,618,000	$ 5,007,000
1979	354,313,000	4,014,000
1978	289,759,000	(1,524,000)
1977	285,159,000	2,705,000
1976	201,513,000	2,491,000

	No. of Com. Shares †	Earn. per Share †
1980	7,654,000	$0.65
1979	7,091,000	0.57
1978	6,665,000	—
1977	6,687,000	0.38
1976	6,531,000	0.36

(Loss)
† Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Construction industry:		
Install., sales, engineering	$ 228,670	$ 169,441
Gen. construc. & engineering, res. & develop.	74,191	67,937
Technical & support serv:		
Aviation & Maritime	41,892	31,930
Facilities Management	65,964	57,151
Commercial aviation	30,384	26,162
Other	2,529	1,779
Int., corp. exp., unallocable	(1,012)	(87)
Total	$ 442,618	$ 354,313

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.08	—	—
1979	—	—	—
1978	0.07	—	—
1977	0.06	—	—
1976	0.06	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 55,915,000	$6.62
1979	36,449,000	5.09
1978	29,143,000	4.28
1977	31,597,000	4.54
1976	29,711,000	4.19

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Revenues	$ 442,618	$ 354,313
Cost of sales	421,012	336,223
Expenses	11,253	8,113
Interest expense	2,454	2,394
Interest income	(1,431)	(227)
Sale of technology	(1,750)	—
Income before taxes	$ 11,080	$ 7,810
Income taxes	6,073	3,796
Net Income	$ 5,007	$ 4,014

* Included in Costs and Expenses, Depreciation and Amortization: $4,352,000 in 1980 and $3,859,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash & cash equiv.	$ 25,797	$ 1,897
Notes & long-term receiv.	412	797
Accts. receiv., net	98,379	83,361
* Inventories	6,448	6,621
Prepaid expenses	1,469	1,008
Current Assets	$ 132,505	$ 93,684
Long-term receiv.	572	371
# Fixed assets	15,383	15,560
Other assets	1,668	1,332
Intangibles	3,037	3,175
Total Assets	$ 153,165	$ 114,122

Liabilities
(000's)

	1980	1979
Bank loans	$ —	$ 859
Long-term debt, curr.	1,679	2,150
Accts. payable	28,443	25,706
Adv. on contract pay.	4,645	4,158
Accruals	27,389	17,859
Accrued inc. taxes	12,049	7,430
Curr. Liabilities	$ 74,205	$ 58,162
Long-term debt	21,744	16,776
Other liab. & def. credits	1,301	2,735
+ Common stock	858	740
Add. paid-in capital	32,366	17,969
Retained earnings	23,349	18,925
Treasury stock	(658)	(1,185)
Total Liabilities & Shareholders' Equity	$ 153,165	$ 114,122

* At lower of cost (FIFO and average) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Revenues	2.50	2.20
%Net Income to Revenues	1.13	1.13
%Net Income to Equity	8.95	11.01
Working Capital	$ 58,300,000	$ 35,522,000
Current Ratio	1.79	1.61
Shareholders' Equity	$ 55,915,000	$ 36,449,000

Dynamics Corporation of America

475 Steamboat Road
Greenwich, Connecticut 06830
(203) 869-3211

Officers: Andrew Lozyniak, chairman of the board & president; Edward J. Mooney, vice chairman of the board, v.p., counsel & secretary; Patrick J.Dorme, v.p.-finance & chief financial officer; Richard E. Smith, treasurer; M. Gregory Bohnsack, controller; Leona Cebelenski, asst. secretary.

Directors: Harry R. Cant, Frank A. Gunther, Henry V. Kensing, Andrew Lozyniak, William A. Matheson, Jr., Cartis T. Roff, Edward J. Mooney, Saul Sperber.

Areas of Work: Engaged in five general lines of business or product areas: electronic systems and components, farm machinery and equipment, air distribution equipment, industrial equipment and consumer products.

Divisions and Subsidiaries:

Anemostat Products Division
888 North Keyser Avenue
Scranton, Pennsylvania 18501
(717) 346-6586

Manufactures air terminal boxes, grilles, registers, sound traps and other metal products for installation in commercial building heating, ventilation and airconditioning systems.

Fermont Division
141 North Avenue
Bridgeport, Connecticut 06606
(203) 366-5211

Engine generator sets, standby power sources, solid-state controls for integrated circuits.

Ellis and Watts Division
4400 Glen Willow Lake Lane
Cincinnati, Ohio 45244
(513) 891-8000

Air and liquid special cooling and temperature control devices, dehydrators, and electronic trailers for government and industry use.

International Electronic Research Corporation
135 West Magnolia Boulevard
Burbank, California 91502
(213) 849-2481

Manufactures board mounted and extruded semiconductor heat sinks/dissipators, heat dissipating tube shields, thermal packaging card guides, enclosures and other components.

Portable Elevator Division
920 Grove Street
Bloomington, Illinois 61701
(309) 829-1235

Portable farm elevators, conveyors, field cultivators, truck hoists, planters,plows, disk harrows and other material-handling equipment sold to farmers for soil preparation and product handling.

Reeves-Hoffman Division
400 West North Street
Carlisle, Pennsylvania 17013
(717) 243-5929

Manufactures quartz crystal products consisting of crystal units, wafers, oscillators, filters, ovens, frequency standards and glass to metal seal enclosures for application in the precise frequency control of speech and data transmissionsystems and the packaging of integrated circuits and other electronic components.

Waring Products Division
Route 44
New Hartford, Connecticut 06057
(203) 379-0731

Consumer and commercial food blenders and electric houseware products, such ascan openers and food mixers.

Transfer Agent(s):

Hartford National Bank & Trust Company
150 Windsor Street
Hartford, Connecticut 06115

Stock Exchange(s): New York

Ticker Symbol: DYA

Number of Employees:

1980	2,200	1977	2,000
1979	2,200	1976	2,200
1978	1,985		

Plant Footage:

1980	1,361,000 sq.ft.	1977	1,315,000
1979	1,361,000	1976	1,197,000
1978	1,315,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$145,347,000	$ 12,330,000
1979	130,473,000	3,475,000
1978	138,616,000	5,812,000
1977	120,033,000	9,200,000
1976	107,115,000	11,406,000

	No. of Com. Shares †	Earn. per Share ‡†
1980	5,413,469	$2.28
1979	5,685,574	0.61
1978	6,037,724	0.96
1977	6,424,214	1.43
1976	6,927,569	1.65

‡ Including extraordinary credits of $720,000 ($0.12 per share) in 1978, $4,411,000 ($0.68 per share) in 1977 and $5,475,000 ($0.79 per share) in 1976.

† Based on the average number of common shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Electrical appliances & electronic devices	$ 57,556	$ 51,207
Fabricated metal products & equipment	57,909	51,880
Power & controlled environmental systems	29,882	27,386
Total	$ 145,347	$ 130,473

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.10	—	—
1979	0.15	—	—
1978	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 51,518,000	$9.52
1979	51,178,000	9.00
1978	49,270,000	8.16
1977	47,122,000	7.34

† Based on the average number of common shares outstanding.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$145,347,000	$130,473,000
Cost of sales	111,041,000	102,274,000
Expenses	24,439,000	21,536,000
Other expense (income)	302,000	(12,000)
Income before taxes	$ 21,230,000	$ 6,675,000
Income taxes	8,900,000	3,200,000
Net Income	$ 12,330,000	$ 3,475,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,502,000 in 1980 and $2,592,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 639,000	$ 1,448,000
Marketable securities	13,390,000	461,000
Accts. receiv., net	27,117,000	24,180,000
* Inventories	24,325,000	24,405,000
Other current assets	622,000	744,000
Def. income taxes	1,614,000	1,281,000
Current Assets	$ 67,707,000	$ 52,519,000
Investments	—	10,104,000
# Fixed assets	11,179,000	12,153,000
Def. income taxes	235,000	406,000
Total Assets	$ 79,121,000	$ 75,182,000

Liabilities

	1980	1979
Oblig. under cap. lease, curr.	$ 384,000	$ 400,000
Accts. payable	4,605,000	5,738,000
Accruals	11,495,000	7,682,000
Progress billings	—	1,343,000
Income taxes	5,085,000	1,433,000
Curr. Liabilities	$ 21,569,000	$ 16,596,000
Long-term debt	3,910,000	5,099,000
Oblig. under cap. leases	2,124,000	2,309,000
+ Common stock	455,000	562,000
Add. paid-in capital	8,813,000	10,455,000
Retained earnings	43,198,000	40,812,000
Subs., receiv. & def. compens.	(948,000)	(651,000)
Total Liabilities & Shareholders' Equity	$ 79,121,000	$ 75,182,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

% Income bef. Taxes to Sales	14.61	5.12
% Net Income to Sales	8.48	2.66
% Net Income to Equity	23.93	6.79
Sales to Inventories	5.98	5.35
Working Capital	$ 46,138,000	$ 35,923,000
Current Ratio	3.14	3.16
Shareholders' Equity	$ 51,518,000	$ 51,178,000

Dynamics Research Corporation

60 Concord Street
Wilmington, Massachusetts 01887
(617) 658-6100

Officers: John S. Anderegg, Jr., chairman of the board & president; Albert Rand, v.p.-Systems Div.; Joseph J. Bakewell, v.p.-Metrigraphics Div.; Willard E. Chippendale, treasurer; John R.D. McClintock, clerk; Nancy M. Bodenstein, assistant clerk & dir. of personnel.

Directors: John S. Anderegg, Jr., Thomas R. Brown, Jr., Sims McGrath, Wickham Skinner, Joseph Weingarten, Frank Gabron, Marvin G. Schorr.

Areas of Work: Engaged in four lines of business— encoders and digital readout systems, micrographics, computer information & engineering data systems and analytical design. The encoders manufactured by the Company are used to measure rotary, angular or linear movement and serve such industries as machine tool and sheet metal fabrication. Micrographics, the precision patterned glass and metal products manufactured by the company, include precision measuring scales, reticles, microcircuit masks and discs for computer peripheral equipment and the optical instrument industry. The principal markets for computer and engineering data systems and analytical design services are certain defense and space exploration programs.

Divisions:

Precision Measurement Division
Metrigraphics Division
Systems division
Test Equipment Division

Subsidiaries:

DRC International Corporation (DISC)

Transfer Agent(s):

New England Merchants National Bank
28 State Street
Boston, Massachusetts 02106

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DRCO (NASDAQ)

Number of Employees:

1980	704	1977	547
1979	635	1976	532
1978	588		

Plant Footage:

1980	125,300 sq. ft.	1977	125,300
1979	125,300	1976	93,500
1978	125,300		

Sales and Earnings

	Net Sales †	Net Income
1980	$ 27,296,281	$ 804,109
1979	23,634,656	840,763
1978	20,818,288	820,951
1977*	20,183,714	812,570
1976	16,016,913	768,216

	No. of Com. Shares #	Earn. per Share #
1980	895,172	$0.90
1979	895,172	0.94
1978	895,172	0.92
1977	895,172	0.91
1976	892,565	0.86

*53 weeks.
† Including contract revenues.
# Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock split.

Revenues By Line of Business

	1980	1979
Encoders & digital readout systems	$ 9,636,000	$ 8,359,000
Micrographics	3,323,000	3,141,000
Computer information & engineering data systems	9,155,000	7,426,000
Analytical design	5,182,000	4,709,000
Total	$ 27,296,000	$ 23,635,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.07	10%	—
1979	0.06	10%	3-for-2‡
1978	0.05	10%	—

+ Adjusted to reflect stock dividends and stock split.
‡ Declared March 4, 1980.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 6,036,048	$6.74
1979	5,290,897	5.91
1978	4,504,426	5.03
1977	3,731,967	4.17
1976	2,917,397	3.27

+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock split.

Income Account *

Year ended	12/27/80	12/29/79
Net sales & revenues	$ 27,296,281	$ 23,634,656
Cost of sales	19,107,501	16,548,262
Expenses	6,545,487	5,308,682
Interest expense	244,784	158,949
Income before taxes	$ 1,398,509	$ 1,618,763
Income taxes	594,400	778,000
Net Income	$ 804,109	$ 840,763

*Included in Cost and Expenses, Depreciation and Amortization: $345,107 in 1980 and $279,718 in 1979.

Assets

As of	12/27/80	12/29/79
Cash	$ 516,948	$ 394,246
Receiv., net	5,879,313	5,465,094
Unbilled fees	1,245,042	575,366
*Inventories	3,013,977	1,857,145
Prepaid expenses	366,139	109,966
Current Assets	$ 11,021,419	$ 8,401,817
# Fixed assets	2,004,197	1,313,675
Total Assets	$ 13,025,616	$ 9.715,492

Liabilities

Notes payable	$ 2,250,000	$ 1,750,000
Accts. payable	1,956,478	1,134,387
Accruals	607,537	355,325
Accrued payroll	1,202,691	593,738
Income taxes	—	239,679
Deferred inc. taxes	786,862	242,466
Curr. Liabilities	$ 6,803,568	$ 4,315,595
Deferred inc. taxes	186,000	109,000
+ Common stock	81,412	54,294
Add. paid-in capital	1,238,163	1,265,281
Retained earnings	4,716,473	3,971,322
Total Liabilities & Shareholders' Equity	$ 13,025,616	$ 9,715,492

*At lower of cost (FIFO) or market.
# Less accumulated depreciation & amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.12	6.85
%Net Income to Sales	2.95	3.56
%Net Income to Equity	13.32	15.89
Working Capital	$ 4,217,851	$ 4,086,222
Current Ratio	1.62	1.95
Shareholders' Equity	$ 6,036,048	$ 5,290,897

Dynascan Corporation

6460 W. Cortland St.
Chicago, Illinois 60635
(312) 889-8870

Officers: Carl Korn, president; Leonard Abrahamson, S. Gene Balaban, Paul Davis, Richard Goldstein, Philip Shevick, Henry J. Gronski, vice presidents; Samuel G. Horberg, vice president, secretary and treasurer.

Directors: Kenneth J. Eaton, Samuel B. Horberg, Carl Korn, Sol Polk, James L. Marovitz.

Areas of Work: Manufactures two-way citizens-band radios; remote telephones, night sentry, microprocessor controlled electronic light timer; industrial products, B & K Precision - electronic test equipment and Telemotive Radio Remote Control systems for heavy industrial equipment.

Transfer Agent(s):

Continental Illinois National Bank & Trust Company
of Chicago
231 South LaSalle Street
Chicago, Illinois 60693

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DYNA (NASDAQ)

Number of Employees:

1980	535	1977	500
1979	450	1976	653
1978	435		

Plant Footage:

1980	186,000 sq. ft.	1977	204,000
1979	186,000	1976	204,000
1978	186,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 51,168,000	$ 1,905,000
1979	56,055,000	535,000
1978	64,316,000	2,838,000
1977	84,069,000	719,000
1976	102,487,000	7,730,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	3,428,000	$0.56
1979	3,423,000	0.16
1978	3,429,000	0.83
1977	3,425,000	0.21
1976	3,296,000	2.35

‡ Based on average number of shares outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1980	1979
Consumer electronics products	$ 27,518,000	$ 33,724,000
Industrial electronics products	23,650,000	22,331,000
Total	$ 51,168,000	$ 56,055,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	3% + 3%	—
1979	—	3% + 3%	—
1978	—	3% + 3%	—
1977	—	3% + 3%	—
1976	—	3% + 3%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 27,271,000	$7.96
1979	25,359,000	7.41
1978	24,816,000	7.24
1977	21,971,000	6.41
1976	21,239,000	6.44

‡ Adjusted to reflect stock dividends.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 51,168,000	$ 56,055,000
Cost of sales	38,128,000	45,423,000
Expenses	9,691,000	9,368,000
Prof. sh. plan	200,000	—
Other expenses (income)	(499,000)	339,000
Income before taxes	$ 3,648,000	$ 925,000
Income taxes	1,743,000	390,000
Net Income	$ 1,905,000	$ 535,000

*Included in Costs and Expenses, Depreciation and Amortization: $568,000 in 1980 and $642,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 1,426,000	$ 971,000
Marketable securities	5,059,000	—
Receiv., net	11,559,000	10,087,000
*Inventories	13,549,000	15,100,000
Prepaid expenses	885,000	916,000
Current Assets	$ 32,478,000	$ 27,074,000
# Fixed assets	2,712,000	2,653,000
Other assets	80,000	62,000
Total Assets	$ 35,270,000	$ 29,789,000

Liabilities

	1980	1979
Accts. payable	$ 3,023,000	$ 996,000
Accruals	3,011,000	2,961,000
Income taxes	1,491,000	105,000
Curr. Liabilities	$ 7,525,000	$ 4,062,000
Deferred inc. taxes	474,000	368,000
+ Common stock	1,174,000	1,107,000
Add. paid-in capital	9,495,000	8,381,000
Retained earnings	16,648,000	15,923,000
Treasury stock	(46,000)	(52,000)
Total Liabilities & Shareholders' Equity	$ 35,270,000	$ 29,789,000

*At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.33⅓ par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	7.13	1.65
%Net Income to Sales	3.72	0.95
%Net Income to Equity	6.99	2.11
Sales to Inventories	3.78	3.71
Working Capital	$ 24,953,000	$ 23,012,000
Current Ratio	4.32	6.67
Shareholders' Equity	$ 27,271,000	$ 25,359,000

Dynatech Corporation

16 New England Executive Park
Burlington, Massachusetts 01803
(617) 272-3304

Officers: Warren M. Rohsenow, chairman; J.P. Barger, president; Kenneth D. Roberts, sr. v.p. & treasurer; James R. Turner, William W. Welsh, Jr., Ronald H. Weatherhogg, group v.p.'s; Anthony C. Thorne, Dwight W. Harvie, Claude Olier, John F. Reno, vice presidents; Edward T. O'Dell, Jr., secretary; Vera B. Durling asst. secretary.

Directors: Warren M. Rohsenow, chairman; J.P. Barger, James B. Hangstefer, Marshall Simonds, Theodore Cohn, Warren A. Law.

Areas of Work: Engaged in the development and production of microbiological and immunological instrumentation and equipment and cryosurgical equipment, offering a line of instruments for ophthalmology, gyneclogy, dermatology, and general surgery. Also manufactures switchgear and diagnostic instruments for high speed data communication systems. Also conducts contract research and development.

Divisions and Subsidiaries:

Dynatech R/D Company
Cambridge, Massachusetts

Artek Systems Corporation (60% owned)
Farmingdale, New York

Dynatech Data Systems
Springfield, Virginia

Dynatech Laboratories, Incorporated
Alexandria, Virginia

Dynatech Instruments, Inc.
Santa Monica, California

Dynatec Nevada, Inc. & Dynatech Energy Systems, Inc.
Carson City, New Mexico

Dynatech Frontier Corporation
Albuquerque, New Mexico

Telecommunications Techniques Corp.
Rockville, Maryland

Dynatech/U-Z
Culver City, California

Dynatech Diagnostics, Inc.
So. Windham, Maine

Dynatech, A.G.
Zug, Switzerland

Dynatech Produkte, A.G.
Kloten, Switzerland

Dynatech Laboratories, Ltd.
Billingshurst, Sussex, England

Laboratoire Dynatech S.A.R.L.
Paris, France

Dynatech Singapore (Pte) Ltd.
Singapore

Dynatech Deutschland G.m.b.H.
Plochingen, West Germany

Dynatech Euromedical, Ltd.
Guernsey, Channel Islands

Dynatech Data Communications Ltd.
Guernsey, Channel Islands

Nihon Dynatech K.K.
Tokyo, Japan

Dynatech Hong Kong
Hong Kong

Dynatech Malaysia, Sdn. Bhd.
Kuala Lumpur, Malaysia

Dynatech, Australasia
Sydney, Austrailia

Acquisition(s):

Northwest Biomedical Laboratories (April 1980)
So. Windham, Maine
Manufactures diagnostic reagents for blood testing.

Precision Sampling Corporation
Baton Rouge, Louisiana
Designs and manufactures small quantity fluid handling systems.

Interface Technology
San Dimas, California
Manufactures and markets digital electronic test instruments.

Tri-Med
Huntington Beach, California
Manufactures dialysis instruments.

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DYTC (NASDAQ)

Number of Employees:

1981 . . . . . . 800 1979 600
1980 800

Plant Footage:

1981 . . . . . . 215,000 sq. ft. 1979 175,000
1980 215,000

Sales and Earnings ‡

	Net Sales +	Net Income *
1980	$ 37,974,000	$ 3,037,000
1979	28,796,000	2,390,000
1978	21,532,000	1,573,000
1977	16,939,000	1,173,000
1976	14,229,000	942,000

	No. of Com. Shares †	Earn. per Share * #
1980	2,259,992	$1.35
1979	2,250,283	1.06

‡ Restated to include operations of companies acquired on a pooling of interests basis.
+ Including contract revenue.
* Including extraordinary loss of $15,084 ($0.01 per share) in 1976.
# Based on the weighted average number of shares outstanding adjusted to reflect stock splits.
† Adjusted to reflect stock splits.

Revenues By Line of Business

	1980	1979
Data communications prods.	$ 14,824,000	$ 10,410,000
Medical laboratory prods.	16,942,000	13,010,000
R/D; scientific instruments	6,208,000	5,376,000
Total	$ 37,974,000	$ 28,796,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	2-for-1
1978	—	—	2-for-1

Common Stock Equity ‡

	Total Equity	Equity Per Share ‡
1980	$ 12,301,000	$5.44
1979	9,247,000	4.11
1978	6,845,000	3.04
1977	5,176,000	2.33
1976	3,935,000	1.79

† Restated to include operations of companies acquired on a pooling of interests basis.
‡ Adjusted to reflect stock splits.

Income Account *

Year ended March 31	1980	1979‡
Net sales & contract rev.	$ 37,973,790	$ 28,796,366
Cost of sales & contracts	16,557,071	12,930,205
Expenses	13,983,417	10,776,317
Prod. develop. exp.	2,284,698	1,380,656
Interest expense	511,741	401,389
Other income	(385,404)	(456,578)
Income before taxes	$ 5,022,267	$ 3,764,377
Income taxes	1,879,251	1,310,382
Minority interest	105,526	63,623
Net Income	$ 3,037,490	$ 2,390,372

* Included in Costs and Expenses, Depreciation and Amortization: $745,432 in 1980 and $581,775 in 1979.
‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets

As of March 31	1980	1979‡
Cash	$ 1,498,545	$ 1,502,510
Accts. receiv., net	7,502,917	5,344,934
Unbilled contract costs & fees	397,573	345,536
* Inventories	8,357,409	5,921,439
Other assets	424,928	403,404
Current Assets	$ 18,181,372	$ 13,517,823
Notes receiv.	24,882	28,424
# Fixed assets	3,336,088	2,746,366
Other assets	157,297	41,488
Intangibles	757,738	757,738
Total Assets	$ 22,457,377	$ 17,091,839

Liabilities

Long-term debt, curr.	$ 36,163	$ 118, 775
Accts. payable	2,190,224	1,287,139
Accruals	1,379,283	921,849
Accrued payroll	1,136,100	755,480
Income taxes	1,204,096	966,865
Curr. Liabilities	$ 5,945,866	$ 4,050,108
Long-term debt	3,376,262	3,110,121
Def. inc. taxes	378,900	336,200
Minority interest	455,779	348,753
+ Common stock	451,998	450,056
Add. paid-in capital	981,490	967,009
Retained earnings	10,867,082	7,829,592
Total Liabilities & Shareholders' Equity	$ 22,457,377	$ 17,091,839

‡ Restated to include operations of companies acquired on a pooling of interests basis.
* At lower of cost (FIFO & average) or market.
# Less accumulated depreciation and amortization.
+ $0.20 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.23	13.07
%Net Income to Sales	8.00	8.30
%Net Income to Equity	24.69	25.85
Working Capital	$ 12,235,506	$ 9,467,715
Current Ratio	3.06	3.38
Shareholders' Equity	$ 12,300,570	$ 9,246,657

Dyneer Corporation

(formerly Aspro, Inc.)

The Riverside Building
Westport, Connecticut 06880
(203) 226-1071

Officers: Harlan W. Smith, chairman of the board & president; James R. Gerrity, sr. v.p.-finance and administration; Stephen A. Rhodes, v.p.-transportation products group; J. Bradford Perkins, v.p.-electronic products group; Kenneth E. Thorp, v.p.-mobile equipment & industrial products; Michael B. McLearn, v.p. & general counsel; David E. Stoll, controller; Charles Hemmerdinger, treasurer.

Directors: James R. Gerrity, Geraldine C. Herzfeld, Alfred E. Sarasin, William W. Sellew, Harlan W. Smith, M. Abbott Van Nostrand, A. Wachter, Peter Gloor.

Areas of Work: Engaged in the following major business segments: Mobile Equipment and Industrial Products - devices for power transmission and motion control for off-highway and industrial equipment, and products for storage and protection of valued property; Electronic Products - devices and assemblies for optical control of electronic equipment, instrumentation for measurement of earth movement, distribution of advance electronic equipment in Europe, and a joint venture for equipment and systems for photovoltaic solar power transmission, pollution control and improved performance of automobiles, trucks and other highway vehicles.

Divisions and Subsidiaries:

Transportation Products

Spun Steel Division
Canton, Ohio

Spun Steel Inc.
Dothan, Alabama

Spun Steel Inc.
Corinth, Mississippi

Granning Suspensions, Inc.
Livonia, Michigan

Mobile Equipment and Industrial Products

Kraftube, Inc.
Big Rapids, Michigan

Dico Company, Inc.
Des Moines, Iowa

Tractech, Inc.
Warren, Michigan

Mercury Products Division
Canton, Ohio

Change-O-Matic, Inc.
Lake Success, New York

Wesco Manufacturing, Inc.
Aurora, Illinois

Electronic Products

Photowatt International, Inc. (50% owned)
Tempe, Arizona

Sensor Technology, Inc.
Chatsworth, California

Sprengnether Instruments, Inc.
St. Louis, Missouri

Technitron, Inc.
New York, New York

Acquisition(s):

Sensor Technology, Inc.
Chatsworth, California

Produces optoelectronic devices used in word processing and business machines, computer peripherals and instrumentation. Photovoltaic solar energy devices.

Granning Suspensions, Inc.
Dearborn, Michigan

Air and elastomer auxiliary axle suspensions for trucks, trailers and construction equipment.

Dico Company, Inc.
Des Moines, Iowa

Produces wheels and hubs, industrial wheels, specialty axles, selected tires for trailer market, hydraulic and mechanical braking systems for towed vehicles, and hydraulically actuated hoists, cranes and booms.

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
1 New York Plaza
New York, New York 10081

Stock Exchange(s): American

Ticker Symbol: DYR

Number of Employees:

1980	1,717	1977	1,400
1979	2,400	1976	1,460
1978	1,650		

Plant Footage:

1980	1,667,287 sq. ft.	1977	629,000
1979	1,667,287	1976	770,000
1978	759,673		

Sales and Earnings

	Net Sales	Net Income
1980	$ 155,276,000	$ 7,010,000
1979	141,328,000	5,820,000
1978	78,310,629	3,470,000
1977	64,040,384	2,575,000
1976	64,819,771	2,580,000

	No. of Com. Shares ‡	Earn. per. Share ‡
1980	3,027,000	$2.32
1979	2,569,425	2.27
1978	1,962,632	1.77
1977	1,897,702	1.36
1976	1,897,702	1.36

‡ Based on weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1980	1979
Mobile equip. & industrial prods.	$ 78,313	$ 64,289
Electronic prods.	34,678	25,842
Transportation prods.	42,285	51,197
Total	$ 155,276	$ 141,328

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.56	—	—
1979	0.48	—	3-for-2
1978	0.43	—	—
1977	0.37	—	—
1976	0.33	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 45,530,000	$13.85
1979	35,185,000	12.06
1978	21,487,773	10.91
1977	18,789,709	9.68
1976	16,488,322	8.69

# Based on year-end shares outstanding adjusted for dilution and stock split.

Income Account *

Year ended July 31	1980	1979
Net sales	$ 155,276,000	$ 141,328,000
Other income	1,685,000	557,000

Total income	$156,961,000	$141,885,000
Cost of sales	117,970,000	107,959,000
Expenses	21,636,000	19,647,000
Interest expense	2,675,000	2,404,000
Income before taxes	$ 14,680,000	$ 11,875,000
Income taxes	7,670,000	6,055,000
Net Income	$ 7,010,000	$ 5,820,000

*Included in Costs and Expenses, Depreciation and Amortization: $3,886,000 in 1980 and $3,382,000 in 1979.

Assets

As of July 31	1980	1979
Cash	$ 893,000	$ 1,288,000
Investments	11,272,000	5,500,000
Accts. receiv., net	15,508,000	15,409,000
*Inventories	26,885,000	31,994,000
Prepaid expenses	229,000	246,000
Current Assets	$ 54,787,000	$ 54,437,000
# Fixed assets	30,897,000	31,105,000
Other assets	3,590,000	3,503,000
Total Assets	$ 89,274,000	$ 89,045,000

Liabilities

Notes payable	$ 703,000	$ 1,116,000
Long-term debt, curr.	1,167,000	610,000
Accts. payable	10,045,000	12,239,000
Other curr. liabilities	7,067,000	6,962,000
Income taxes	552,000	3,433,000
Curr. Liabilities	$ 19,534,000	$ 24,360,000
Long-term debt	20,793,000	25,043,000
Deferred inc. taxes	1,133,000	1,036,000
Other liabilities	2,284,000	3,421,000
+ Common stock	3,261,000	2,874,000
Add. paid-in capital	21,402,000	16,958,000
Retained earnings	21,581,000	16,190,000
Treasury stock	(714,000)	(837,000)
Total Liabilties & Shareholders' Equity	$ 89,274,000	$ 89,045,000

*At lower of cost (FIFO and LIFO) or net realizable value.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.45	8.40
%Net Income to Sales	4.51	4.12
%Net Income to Equity	15.40	16.54
Sales to Inventories	5.78	4.42
Working Capital	$ 35,253,000	$ 30,077,000
Current Ratio	2.80	2.23
Shareholders' Equity	$ 45,530,000	$ 35,185,000

Eagle-Picher Industries, Inc.

580 Walnut Street
P.O. Box 779
Cincinnati, Ohio 45202
(513) 721-7010

Officers: William D. Atteberry, chairman of the board & president; John W. Painter, Robert R. Axelson, executive vice presidents; Jefferson W. Hudson, Thomas E. Petry, group v.p's; John E. Powers, sr. v.p. & controller; Walter A. Suhre, Jr., sr. v.p. & general counsel; Charles S. Dautel, v.p. & secretary; David N. Hall, v.p. & treasurer; James G. Baird, J. Rodman Nall, George A. Patterson, Jr., vice presidents; Carroll D. Curless, asst. controller; David W. Matthews, asst. secretary.

Directors: William D. Atteberry, Robert R. Axelson, Sanford M. Brooks, Paul W. Christensen, Jr., Jefferson W. Hudson, Wickliffe Jones, Daniel W. LeBlond, Charles M. Barrett, John W. Painter, Charles S. Mechem, Jr., V. Anderson Coombe, Paul A. Miller, Sidney J. Weinberg, Jr.

Areas of Work: Manufactured products fall into three general categories: Industrial, Machinery and Automotive. Industrial products include: diatomaceous earth products; rubber products, boron isotopes and rare metals, appliance parts and coatings, industrial chemicals, commercial printing, concrete pipe and other industrial products. Machinery products include: earth moving, aerospace and defense, coal mining, tire building, offshore drilling, and materials handling equipment, aluminum and brass castings, and related products. Automotive products include: mechanical, structural and trim parts for passenger cars, trucks, buses, vans, and utility vehicles for the OEM and replacement markets.

Divisions and Subsidiaries:

Agricultural Chemicals Division
Joplin, Missouri
Fertilizer micronutrients.

Akron Standard
Akron, Ohio
Tire building and testing machinery.

Chemicals and Fibers Division
Joplin, Missouri
Lead and zinc chemicals; industrial insulations.

Chi-Vit Corporation
Oak Brook, Illinois
Porcelain enamel frit.

Cincinnati Industrial Machinery
Sharonville, Ohio
Metal preparation and finishing machinery.

Electronics Division
Joplin, Missouri
Special purpose batteries; high precision metal products.

Fabricon Automotive Products
River Rouge, Michigan
Laminated and contour trim parts, interior and exterior insulating materials.
Fabricon Products

River Rouge, Michigan
Printed packaging materials, plastic laminates.

Faulkner Concrete Pipe Company
Hattiesburg, Mississippi
Concrete pipe products.

Hillsdale Tool and Manufacturing Company
Hillsdale, Michigan
Torsional vibration dampening products; precision machine castings and forgings.

Johnson Manufacturing Company
Lubbock, Texas
Earth moving machinery.

Markey Bronze Corporation
Lima, Ohio
Bronze and brass bushings and bearings.

Minerals Division
Reno, Nevada
Diatomaceous earth; zinc and copper mining.

The Ohio Rubber Company
Willoughby, Ohio
"Orthane" injection molded parts; automotive floor coverings, low pressure elastomeric hose.

Plastics Division
Grabill, Indiana
Fiberglass reinforced polyester parts for the transportation, industrial, and electrical fields.

The Premier Rubber Manufacturing Company
Dayton, Ohio
Windshield wiper blades, precision molded rubber products.

Ross Aluminum Foundries
Sidney, Ohio
Precision aluminum castings.

Union Steel Products Company
Albion, Michigan
Metal cabinetry; materials handling equipment, fabricated wire products.

A.D. Weiss Lithograph Company
Hollywood, Florida
Printing and publishing.

The Wolverine Fabricating and Manufacturing Company
Inkster, Michigan
Rubber coated, custom engineered metal gaskets.

The Elmac Corporation
Huntington, West Virginia
Manufactures belt haulage systems, electrical transmission systems and controls, replacement parts for mining machines and rubber tired vehicles for the underground coal mining and hard rock mining industries.

Pritchett Engineering and Machine, Inc.
Houston, Texas
Manufactures products and replacement parts for steel pipe mills, the petroleum industry and offshore drilling operations.

Orcomatic Division
Norwich, Connecticut
Precision molded rubber products for the plumbing and construction markets.

Specialty Materials Division
Quapaw, Oklahoma
Produces high purity germanium, gallium, lithium, and boron materials for the nuclear and electronic industries.

Transfer Agent(s):

The Central Trust Company
Cincinnati, Ohio

Morgan Guaranty Trust Company of New York
New York, New York

Stock Exchange(s): New York, Cincinnati

Ticker Symbol: EPI

Number of Employees:

1980	9,400	1977	10,200
1979	10,200	1976	9,800
1978	10,700		

Sales and Earnings

	Net Sales	Net Income
1980	$543,297,442	$ 21,297,719
1979	590,018,144	30,704,325
1978	526,497,563	27,804,513
1977	474,039,615	26,003,034
1976	400,315,441	22,059,812

	No. of Com. Shares	Earn. per Share ‡
1980	9,715,000	$2.14
1979	9,821,000	3.03
1978	9,900,000	2.70
1977	9,912,000	2.49
1976	9,694,000	2.12

‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1980	1979
Basic materials & chemicals	$ 201,000	$ 197,655
Machinery & allied products	219,800	236,551
Transportation products	122,500	155,812
Total	$ 543,300	$ 590,018

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$0.90	—	—
1979	0.86	—	—
1978	0.77	—	—
1977	0.68	—	2-for-1
1976	0.58	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1980	$208,430,199	$21.46
1979	198,070,155	20.17
1978	178,221,328	18.00
1977	159,408,817	16.08
1976	138,880,285	14.33

‡ After allowing for preference stock at a stated alue of $33 per share.
† Adjusted to reflect stock split.

Income Account *

Year ended Nov. 30	1980	1979
Net sales	$543,297,442	$590,018,144
Other income	1,593,634	1,400,649
Total income	$544,891,076	$591,418,793
Cost of sales	449,043,178	481,374,792
Expenses	54,087,450	51,112,873
Interest expense	5,062,729	4,626,803
Income before taxes	$ 36,697,719	$ 54,304,325
Income taxes	15,400,000	23,600,000
Net Income	$ 21,297,719	$ 30,704,325

*Included in Costs and Expenses, Depreciation and Amortization: $20,364,096 in 1980 and $18,863,929 in 1979.

Assets

As of Nov. 30	1980	1979
Cash	$ 19,000,165	$ 4,680,155
Receiv., net	78,769,766	74,041,115
*Inventories	94,484,057	105,996,517
Prepaid expenses	7,128,488	5,150,958
Current Assets	$199,382,476	$189,868,745
Investments	4,599,360	3,844,660
# Fixed assets	154,762,996	136,503,120
Other assets	6,791,183	7,128,047
Total Assets	$365,536,015	$337,344,572

Liabilities

Long-term debt, curr.	$ 3,516,000	$ 3,461,000
Accts. payable	30,285,226	35,420,603
Accruals	22,687,659	23,475,962
Income taxes	4,025,890	7,989,520
Curr. Liabilities	$ 60,514,775	$ 70,347,085
Long-term debt	80,039,952	55,575,931
Other long-term liabilities	3,290,664	4,097,539
Deferred inc. taxes	11,306,792	6,838,592
+ Preferred stock	1,953,633	2,415,270
+ + Common stock	12,500,000	12,500,000
Add. paid-in capital	4,268,619	4,306,452
Retained earnings	197,673,320	185,249,082
Treasury stock	(6,011,740)	(3,985,379)
Total Liabilities & Shareholders' Equity	$365,536,015	$337,344,572

*At lower of cost or market and LIFO
# Less accumulated depreciation.
+ $33 stated value.
+ + $1.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.75	9.20
%Net Income to Sales	3.92	5.20
%Net Income to Equity	10.12	15.50
Sales to Inventories	5.75	5.57
Working Capital	$138,867,701	$119,521,660
Current Ratio	3.29	2.70
Shareholders' Equity	$210,383,832	$200,485,425

Eastman Kodak Company

343 State Street
Rochester, New York 14650
(716) 724-4000

Officers: Walter A. Fallon, chairman of the board & chief executive officer; Colby H. Chandler, president; David S. Greenlaw, v.p.-dir., corp. commercial affairs; Robert B. Murray, v.p.-dir., corp. planning; Herbert L. Rees, v.p.; David J. Metz, v.p.-dir., corp. communications; Tom Hiatt, asst. v.p.-dir., gov't. relations; U.S. & Canadian Photographic Div.; Douglass C. Harvey, exec. v.p.; J. Phillip Samper, John M. Sewell, George A. Snyder, Richard T. Kramer, Wendel W. Cook, John H. Barnes, John C. Fink, Kenneth M. Mason, John R. Robertson, Bramwell B. Coles, Gordon C. Belshaw, Wilbur J. Prezzano, John J. Powers, William K. Pedersen, William E. Sherman, J. Raymon Sutcliffe, Richard C. Kleinhans, v.p.'s; Int'l. Photographic Div.; Cornelius J. Murphy, group v.p.; Norman A. Brick, John E. Riggs, Georges M.H. Cloche, F. James Moorfoot, Ernst Lieser, Georges Roques, Robert L. Smith, Anthony Frothingham, David W. Hunt, v.p.'s; Eastman Chemicals Div.; Toy F. Reid, exec. v.p. & gen. mgr.; Robert C. Petrey, v.p. & asst. gen. mgr.; John H. Sanders, v.p. & asst. gen. mgr.; James A. Mitchell, v.p.-general manager's staff; Collins M. McKelvey, asst. v.p.; Lowrie G. Piercy, general comptroller; Donald E. Snyder, treasurer; Wayne Gilman, Donald R. Whitney, asst. comptrollers; Harold C. Passer, asst. treasurer; William L. Sutton, v.p. & asst. director-corporate relations; James S. Bruce, sr. v.p. & director-corp. relations; James S. Bruce, sr. v.p. & director-corp. relations; Robert R. Ross, asst. v.p.-corp. relations.

Directors: Walter A. Fallon*, chairman; Juanita M. Kreps, Gerald B. Zornow, Roger E. Anderson, Colby H. Chandler*, Kendall M. Cole*, Douglass C. Harvey* Robert S. Hatfield, Robert A. Sherman*, W. Allen Wallis, J. Paul Lyet, Charles T. Duncan, James S. Bruce*, Toy F. Reid*, John G. Smale.

*Member of the Executive Committee.

Areas of Work: Develops, manufactures and markets still and motion picture cameras and projectors; lenses, microfilming units, professional photographic equipment; photographic films, papers, plates and chemicals; business equipment and related products, including copier-duplicators; radiographic products; light-sensitive materials for scientific use, positive-working photoresists for fabricating circuit boards, duplicating plates for making negative copies of prined circuits; man-made fibers, industrial chemicals and plastics.

Divisions and Subsidiaries:

Kodak Park Division
1669 Lake Avenue
Rochester, New York 14650
(716) 458-1000

Kodak Apparatus Division
901 Elmgrove Road
Rochester, New York 14650
(716(724-4000

Distillation Products Industries Division
2255 Mount Read Boulevard
Rochester, New York 14603
(716) 722-2905

Business Systems Markets Division
343 State Street
Rochester, New York 14650
(716) 724-4000

Motion Picture and Audiovisuals Markets Division
343 State Street
Rochester, New York 14650
(716) 724-4000

Consumer Markets Division
343 State Street
Rochester, New York 14650
(716) 724-4000

Graphics Markets Division
343 State Street
Rochester, New York 14650
(716) 724-4000

Professional and Finishing
Markets Division
343 State Street
Rochester, New York 14650
(716) 724-4000

Radiography Markets Division
343 State Street
Rochester, New York 14650
(716) 724-4000

Eastman Technology, Inc.
343 State Street
Rochester, New York 14650
(716) 724-4000

International Photographic Division
343 State Street
Rochester, New York 14650
(716) 724-4000

Customer Equipment Services Division
800 Lee Road
Rochester, New York 14650
(716) 724-4000

Eastman Chemicals Division
343 State Street
Rochester, New York 14650
(716) 325-2000

Arkansas Eastman Company
P.O. Box 2357
Batesville, Arkansas 72501
(501) 698-1811

Carolina Eastman Company
P.O. Box 1782
Columbia, South Carolina 29202
(803) 794-9200

Tennessee Eastman Company
P.O. Box 511
Kingsport, Tennessee 37662
(615) 246-2111

Texas Eastman Company
P.O. Box 7444
Longview, Texas 75601
(214) 757-6611

Eastman Gelatine Corporation
227 Washington Street
Peabody, Massachusetts 01960
(617) 531-1700

Eastman Chemical Products, Inc.
P.O. Box 431
Kingsport, Tennessee 37662
(615) 246-2111

Kodak Canada Inc.
3500 Eglinton Avenue West
Toronto, Ontario, M6M 1V3 Canada
(416) 766-8233

Kodak Limited
P.O. Box 66
Kodak House
Station Road, Hemel Hempstead
Herts., HP1 1JU, England

Kodak-Pathe
8-26 rue Villiot
75008-Paris, Cedex 12
France

Kodak A.G.
Postfach 369
7000 Stuttgart 60, Germany

Kodak (Australasia) Pty. Ltd.
173-3058 Elizabeth Street
Coburg, Victoria, Australia

Kodak Brasilerira Comercio e Industria Ltd.
Av. Brigadeiro Faria Limia, 1815, 7th Floor
Caixa Postal 225
Sao Paulo, 01000 Brazil

Kodak Argentina
Casilla de Correo Central No. 5621
Buenos Aires, Argentina

Kodak Industrial S.A. de C.V.
Apartado Postal 3144
Guadalajara, Mexico

Transfer Agent(s):

Lincoln First Bank, N.A.
P.O. Box 1250
Rochester, New York 14603

First Jersey National Bank
1 Exchange Place
Jersey City, New Jersey 07303

Stock Exchange(s): New York, Midwest, Pacific, Boston, Phila-Balt-Wash, Paris, London

Ticker Symbol: EK

Number of Employees:

	U.S.	Worldwide
1980	84,400	129,500
1979	80,800	126,300
1978	79,600	124,800
1977	77,900	123,700
1976	80,200	127,000

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 9,734,303	$ 1,153,579
1979	8,028,231	1,000,764
1978*	7,012,923	902,284
1977	5,966,986	643,448
1976	5,438,170	650,618

	No. of Com. Shares #	Earn. per Share #
1980	161,389,000	$7.15
1979	161,383,738	6.20
1978	161,375,931	5.59
1977	161,369,790	3.99
1976	161,356,391	4.03

* 53 weeks.
# Based on average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$3.20	—	—
1979	2.90	—	—
1978	2.33	—	—
1977	2.10	—	—
1976	2.07	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share #
1980	$ 6,027,806	$37.35
1979	5,390,603	33.40
1978	4,857,681	30.10
1977	4,331,308	26.84
1976	4,026,299	24.95

# Based on average number of shares outstanding.

Income Account *
(000's)

Year ended	12/28/80	12/30/79
Net sales	$ 9,734,303	$ 8,028,231
Cost of sales	6,084,663	4,843,112
Expenses	1,753,203	1,536,495
Oper. profit	$ 1,896,437	$ 1,648,624
Interest income	134,024	117,743
Total	$ 2,030,461	$ 1,766,367
Interest exp.	45,769	24,774
Other expense	22,113	34,329
Income before taxes	$ 1,962,579	$ 1,707,264
Income taxes	809,000	706,500
Net Income	$ 1,153,579	$ 1,000,764

* Included in Costs and Expenses, Depreciation: $399,210,000 in 1980 and $361,320,000 in 1979.

Assets
(000's)

As of	12/28/80	12/30/79
Cash	$ 147,214	$ 183,510
Marketable securities	1,437,848	1,357,113
Receiv., net	1,677,975	1,386,101
*Inventories	1,702,806	1,439,468
Deferred inc. taxes	229,528	107,549
Prepaid expenses	50,232	48,379
Current Assets	$ 5,245,603	$ 4,522,120
#Fixed assets	3,434,698	2,960,040
Other assets	73,690	71,968
Total Assets	$ 8,753,991	$ 7,554,128

Liabilities
(000's)

Payables	$ 1,563,887	$ 1,227,721
Dividends payable	201,736	177,529
Income & other taxes	481,803	335,737
Curr. Liabilities	$ 2,247,426	$ 1,740,987
4½% conv. deben	66,056	66,056
Other liabilities	141,824	126,484
Deferred inc. taxes	270,879	229,998
+Common stock	403,966	403,966
Add. paid-in capital	269,555	269,487
Retained earnings	5,354,285	4,717,150
Total Liabilities & Shareholders' Equity	$ 8,753,991	$ 7,554,128

* At cost (LIFO) which is not in excess of market.
# Less accumulated depreciation.
+ $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	20.16	21.27
%Net Income to Sales	11.85	12.47
%Net Income to Equity	19.14	18.56
Sales to Inventories	5.72	5.58
Working Capital	$2,998,177,000	$2,781,133,000
Current Ratio	2.33	2.60
Shareholders' Equity	$6,027,806,000	$5,390,603,000

Eaton Corporation

100 Erieview Plaza
Cleveland, Ohio 44114
(216) 523-5000

Officers: E.M. de Windt, chairman & chief executive officer; James R. Stover, president & chief operating officer; Melvin C. Arnold, executive v.p.-law & corporate relations; Robert G. Brown, executive v.p.-engineering & corp. development; Stephen R. Hardis, executive v.p.-finance & administration & treasurer; Samuel S. Blackmore, pres., Industrial Group; William E. Butler, pres., Automotive Components Group; Robert W. Gillison, pres., Truck Components Group; Arthur E. Morgan, pres., Instruments & deversified Products Group; Kenneth H. Bennett, v.p.; Leonard C. Cook, v.p.-materials management; Malcolm Daisley, v.p.-employee relations; Herbert Hubben, v.p.-international; Gerald L. Gherlein, v.p. & general counsel; Earl Kendle, v.p.-information systems; William R. Kiessel, v.p.-manufacturing services; Ronald L. Leach, v.p. & controller; Warren B. Offutt, v.p.-technical management; Bruce H. Pauly, v.p.-engineering & research; Alfred M. Rankin, Jr., v.p. materials handling group; J. Bernard Reilly, v.p.-automotive marketing; Richrd T. Sadler, v.p. & secretary; Marshall Wright, v.p.-corp. affairs; John D. Evans, v.p.-management resources.

Directors: E.M. de Windt, chairman of the board; Charles A. Anderson, Arthur Dole III, Carl A. Gerstacker, Charles E. Hugel, William G. Meese, Furman C. Moseley, Hooper G. Pattillo, Nicholas R. Petry, Samuel K. Scovil, James R. Stover, Neil A. Armstrong, J. Donald Rauth, Javier Vidal Sario.

Operating Units:

Transportation Products Group:

Truck Components-mechanical transmissions, drive and trailer axles brakes, locking differentials, engine valves, hydraulic valve lifters, tire valves, leaf springs, viscous fan drives, power steering pumps, thermostats, air conditioning equpment, and couplings, hose and tubing for the over-the-road truck industry.

Off-Highway Vehicle Components Group:

Mechanical and hydrostatic transmissions, forgings, drive axles, brakes, engine valves, hydraulic valve lifters, hydraulic motors, couplings, hose and tubing.

Passenger Car Components:

Engine valves, hydraulic valve lifters, lease springs, emission control valves, viscous fan drives, speed conrols, tire valves, thermostats, fasteners, automatic temperature controls, heaters and air conditioning equipment.

Industrial (Electrical and Electronic)

Industrial control components, assemblies, systems and drives; avionics and defense electronics; electronic test instrumentation; low-voltage power distribution equipment; commercial controls and fasteners; hoisting equipment and automated materials handling systems; industrial tubing, clutches, brakes and gear reducers.

Materials Handling Vehicles

Industrial Vehicles-gasoline, liquid propane gas, diesel and electric powered lift trucks.

Acquisition(s):

Lorlin Industries
Produces semiconductor test equipment.

Nova Associates, Inc.
Produces inn implantation equipment for the semiconducto industry.

Transfer Agent(s):

AmeriTrust Company
P.O. Box 6477
Cleveland, Ohio 44101

Stock Exchange(s): New York, Midwest, Pacific, London

Ticker Symbol: ETN

Number of Employees:

1980	50,358	1977	46,603
1979	57,755	1976	45,746
1978	60,809		

Sales and Earnings

	Net Sales‡ (000's)	Net Income†‡ (000's)
1980	$ 3,176,500	$ 115,800
1979	3,359,900	153,300
1978	2,790,500	130,900
1977	2,110,900	106,300
1976	1,808,100	90,900

	No. of Com. Shares +	Earn. per Share ‡#
1980	26,724,738	$4.35
1979	25,115,508	5.86
1978	25,915,718	5.00

‡ Financial statements for 1979 and 1978 have been restated to reflect change in accounting method concerning vacation pay.
† Including extraordinary credit of $11,600,000 ($0.45 per share) in 1978.
# Based on the monthly average number of shares outstanding during each year adjusted to reflect stock split.
+ Adjusted to reflect stock split.

Eaton Corporation

Revenues By Line of Business
(000's)

	1980	1979
Transportation prods.	$ 1,407,000	$ 1,657,000
Industrial— including electrical & electronic	1,363,000	1,245,000
Materials handling vehicles	424,000	478,000
Intersegment sales	(18,000)	(20,000)
Total	$ 3,176,000	$ 3,360,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$1.72	—	—
1979	1.61	—	3-for-2
1978	1.50	—	—
1977	1.33	—	—
1976	1.23	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity †	Equity Per Share ‡
1980	$ 988,726,265	$37.00
1979	911,372,775	34.90
1978	798,416,745	30.81

† After allowing for preferred stock at liquidation values.
‡ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1980	1979‡
Net sales	$ 3,176,466	$ 3,359,914
Interest income	5,546	8,052
Other income	37,172	26,353
Exc. of insur. settlement	25,360	—
Total income	$ 3,244,544	$ 3,394,319
Cost of sales	2,392,355	2,487,770
Expenses	557,081	520,882
Interest expense	89,179	86,925
Exch. loss	3,897	3,935
Income before taxes	$ 202,032	$ 294,807
Income taxes	86,248	141,543
Net Income	$ 115,784	$ 153,264

*Included in Costs and Expenses, Depreciation and Amortization: $89,521,000 in 1980 and $86,247,000 in 1979.
‡ Restated to reflect change in accounting method.

Assets
(000's)

As of Dec. 31	1980	1979‡
Cash	$ 13,865	$ 25,685
Short-term securities	7,503	4,308
Accts. receiv., net	493,971	516,595
*Inventories	718,885	782,753
Other curr. assets	46,017	48,319
Current Assets	$ 1,280,241	$ 1,377,660
Investments in finance subsid.	46,126	40,724
Investments in assoc. cos.	33,433	25,800
# Fixed assets	820,534	780,099
Other assets	27,079	36,060
Intangibles	95,047	100,002
Total Assets	$ 2,302,460	$ 2,360,345

Liabilities
(000's)

Long-term debt, curr.	$ 14,583	$ 18,146
Short-term debt	67,135	88,939
Accts. payable	188,260	200,141
Payrolls & other accruals	253,588	254,236
Taxes	83,834	109,108
Curr. Liabilities	$ 607,400	$ 670,570
Long-term debt	516,952	607,843
Other liab.	77,911	71,666
Deferred inc. taxes	95,090	79,636
+ $¼% Cum. conv. pref. stock	1,244	1,450
+ + Serial pref. stock	189	223
+ + + Common stock	13,362	13,058
Add. paid-in capital	109,898	103,381
Retained earnings	880,414	812,518
Total Liabilities & Shareholders' Equity	$ 2,302,460	$ 2,360,345

‡ Restated to reflect change in accounting method.
*At lower of cost (FIFO; LIFO for certain domestic inventories) or market.
# Less accumulated depreciation and amortization.
+ $25 par value.
+ + $0.50 stated value.
+ + + $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.36	8.77
%Net Income to Sales	3.65	4.56
%Net Income to Equity	11.52	16.47
Sales to Inventories	4.42	4.29
Working Capital	$ 672,841,000	$ 707,090,000
Current Ratio	2.11	2.05
Shareholders' Equity	$1,005,107,000	$ 930,630,000

The Echlin Manufacturing Company

Echlin Road
Branford, Connecticut 06405
(203) 481-5771

Officers: Frederick J. Mancheski, chairman of the board & chief exec. officer; Joseph V. Scott, president & chief operating officer; Harold F. Anderson, v.p.-engineering;Robert J. Burian, v.p.-employee relations; Thomas R. Hancock, v.p.-corp. development; J. David Marks, v.p.-research & development; David H. Spiller, secretary & general counsel; Chester W. Russ, treasurer; Thomas P. Marchese, corp. controller; J. William Bowman, Richard A. Wisot, asst. treasurers.

Directors: Frederick J. Mancheski, chairman of the board; Joseph V. Scott, John E. Echlin, John E. Echlin, Jr., Milton P. DeVane, Eugene J. Muldoon, Raymond G. Dowsett, John F. Gustafson, Philip S. Myers, Chester W. Russ.

Areas of Work: Manufactures parts and supplies used to maintain or improve the efficiency and safety of motor vehicles including automotive electronic, electro-mechanial and fuel system parts. Safety products include hydraulic brake parts, air brake parts, controllers for electric brakes, and additional safety-related products.

Divisions and Subsidiaries:

Ace Electric Company, Inc.
Kansas City, Missouri
Columbus, Kansas

Automotive Controls Corp.
Bradford, Connecticut
Independence, Kansas

The Berg Maufacturing Company
Iola, Kansas

Brake Parts Company
McHenry & Litchfield, Illinois

Lift Parts Mfg. Co.
Des Plaines, Illinois

Sierra Supply Co.
Litchfield, Illinois

Kravex Manufacturing Corp.
Miami, Florida

Peerless Instrument Company
Cherryvale, Kansas

Sensor Engineering Company
Branford, Connecticut

Tekonsha Engineering Company
Tekonsha, Michigan

Roto-Master, Inc.
North Hollywood, California

Berg Europa, GmbH
Walldorf, West Germany

Berg Maufacturing (U.K.) Ltd.
Blackburn, England

Echlin Charger Manufacturing Company (Pty.) Limited
Johannesburg, South Africa

Echlin Mexicana S.A. de C.V.
Mexico City, Mexico

Echlin of Puerto Rico, Inc.
Ponce, Puerto Rico

Echlin de Venezuela, C.A.
Caracas, Venezuela

Echlin do Brasil, S.A.
Sao Paulo, Brazil

Echlin Australia (Pty.) Ltd.
Melbourne, Australia

Echlin Canada Inc.
Toronto, Canada

Echlin Limited
Preston, England

Acquisition(s):

M. Black Company
Philadelphia, Pennsylvania
Manufactures automotive wire and cable.

Blackstone Manufacturing Company
Manufactures small fuel pumps.

Transfer Agent(s):

The Connecticut Bank and Trust Company
Hartford, Connecticut

Stock Exchange(s): New York

Ticker Symbol: ECH

Sales and Earnings

	Net Sales	Net Income
1980	$ 301,400,000	$ 8,769,000
1979	304,022,000	22,655,000
1978	278,304,000	18,644,000
1977	239,205,000	16,090,000
1976	205,425,000	13,233,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	15,993,000	$0.55
1979	15,142,000	1.50
1978	14,367,000	1.30
1977	14,329,000	1.12
1976	14,282,000	0.93

‡ Based on the weighted average number of common shares outstanding, adjusted to reflect stock split.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.48	—	—
1979	0.42	—	—
1978	0.33	—	2-for-1
1977	0.27	—	—
1976	0.225	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 144,164,000	$9.00
1979	142,405,000	8.93
1978	101,331,000	7.04
1977	87,010,000	6.07
1976	74,603,000	5.21

‡ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Aug. 31	1980	1979
Net sales	$ 301,400	$ 304,022
Cost of sales	209,608	200,590
Expenses	71,244	60,705
Interest expense	5,889	4,328
Income before taxes	$ 14,659	$ 38,399
Income taxes	5,890	15,744
Net Income	$ 8,769	$ 22,655

* Included in Costs and Expenses, Depreciation and Amortization: $8,582,000 in 1980 and $7,051,000 in 1979.

Assets
(000's)

As of Aug. 31	1980	1979
Cash	$ 1,652	$ 6,842
Accts. receiv.	41,403	45,283
* Inventories	103,800	94,919
Other assets	5,298	7,511
Current Assets	$ 152,153	$ 154,555
Investments & advances	851	1,297
# Fixed assets	62,281	51,975
Intangible assets	2,488	2,681
Other assets	19,372	15,612
Total Assets	$ 237,145	$ 226,120

Liabilities
(000's)

Notes payable	$ 10,770	$ 10,178
Long-term debt, curr	1,512	1,819
Accts. payable	14,221	15,108
Accrued payroll	5,342	5,471
Other accruals	5,912	6,631
Income taxes	234	3,520
Curr. Liabilities	$ 37,991	$ 42,727
Long-term debt	52,083	38,689
Deferred inc. taxes	2,907	2,299
+ Common stock	16,165	16,095
Add. paid-in caial	34,282	33,685
Retained earnings	95,333	94,241
Treasury stock	(1,616)	(1,616)
Total Liabilities & Shareholders' Equity	$ 237,145	$ 226,120

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.86	12.63
%Net Income to Sales	2.91	7.45
%Net Income to Equity	6.08	15.91
Sales to Inventories	2.90	3.20
Working Capital	$ 114,162,000	$ 111,828,000
Current Ratio	4.00	3.62
Shareholders' Equity	$ 144,164,000	$ 142,405,000

Edo Corporation

14-04 111th Street
College Point, New York 11356
(212) 445-6000

Officers: William R. Ryan, chairman of the board; Gerald Albert, president; William F. Konrad, Edward B. Moore, vice presidents; John H. Meyn, vice president-finance and secretary; Michael J. Hegarty, treasurer & assistant secretary; Charles F. Anderson, Jr., assistant secretary.

Directors: William R. Ryan, Archibald M. Brown, Jr., H. Struve Hensel, James T. Pyle, Richard Rachals, Gerald Albert, James S. Coles, John H. Meyn, Edward B. Moore, Earl D. Osborn, Ralph O. Romaine, Noel B. McLean.

Areas of Work: Produces electronic equipment, electromechanial devices and fiber reinforced composites for civil and military aviation, ocean navigation and underwater detection, surveillance and exploration.

Divisions and Subsidiaries:

EDO-AIRE Group

Designs, manufactures and markets a broad line of aviation electronics (avionics), instruments and flight control equipment for the general aviation market, including navigation systems, ground navigation aids, airborne long-range navigation and aircraft floats.

EDO-AIRE, Mineral Wells
P.O. Box 610, Municipal Airport
Mineral Wells, Texas 76067

EDO-AIRE, Fairfield
216 Passaic Avenue
Fairfield, New Jersey 07006

EDO-AIRE, Wichita
1326 South Walnut Street
Wichita, Kansas 67213

Commercial Products Group

EDO Western Corporaion
2645 South 300 West
Salt Lake City, Utah 84115

Oceanograhic and marine navigation instrumentation; sonar doppler navigation equipment; grahic recorders, piezoelectric ceramics, acoustic devices underwater video systems and equipment.

Electric Indicator Company, Inc. (ELINCO)
272 Main Avenue
Norwalk, Connecticut 06851

Designs and manufactures specialized rotating components for major electronic companies, including standard and temperature compensated DC tachometers; AC permanent magnet tachometers, induction generators; AC induction and torque motors;shunt, series, compound, universal, torque and permanent magnet DC motors; hysteresis and reluctance type synchronous motors.

Fiber Science, Inc.
506 North Billy Mitchell Road
Salt Lake City, Utah 84116

Engaged in the filament winding of reinforced plastic composites for commercial aircraft water and waste system tanks, ducting and fittings; the development of hardware for military helicopters and aircraft; plastic products such as chemical tanks, fish farming equipment and molded fiberglass building units.

EDO International Division
14-04 111th Street
College Point, New York 11356

Markets EDO Corpoation products around the world.

Government Products Group

EDO Government Products Division
14-04 111th Street
College Point, New York 11356

Washington Office:
2001 Jefferson Davis Highway
Arlington Virginia 22202

Encompasses an integrated capability for total system development from initialconcept through research and engineering, manufacturing and life cycle logistic support; shipboard sonar products, such as the vairable depth sonar; the helicopter towed hydrofoil sea sled, and other products in the fields of antisubmarine warfare, sanitation systems, aerospace systems, and integrated programs.

Transfer Agent(s):

Bradford Securities Operations, Inc.
Fort Lee Executive Park
Fort Lee, New Jersey 07024

Stock Exchange(s): American

Ticker Symbol: EDO

Number of Employees:

1980	1,916	1977	2,000
1979	2,161	1976	1,858
1978	2,100		

Plant Footage:

1980	840,000 sq. ft.	1977	600,000
1979	785,000	1976	560,000
1978	690,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 97,345,000	$ 2,548,000
1979	88,922,000	3,254,226
1978	75,343,923	2,643,132
1977	67,034,424	2,406,773
1976	63,852,873	1,813,573

	No. of Com. Shares‡	Earn. per Share‡
1980	2,363,683	$1.08
1979	1,949,551	1.67
1978	1,875,694	1.41
1977	1,875,694	1.28
1976	1,599,858	1.13

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Revenues By Line of Business

	1980	1979
Military systems	$ 46,969,000	$ 33,771,000
Aviation products	31,272,000	38,474,000
Marine systems & spec. prod	19,104,000	16,677,000
Total	$ 97,345,000	$ 88,922,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.40	—	—
1979	0.38	50%	—
1978	0.31	—	—
1977	0.27	—	—
1976	0.07	—	—

+ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 33,749,059	$14.44
1979	31,590,607	13.61
1978	23,393,788	12.47
1977	21,044,803	11.22
1976	18,838,352	10.04

‡ Adjusted to reflect stock dividend.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 97,344,918	$ 88,921,906
Other income	291,820	343,048
Total income	$ 97,636,738	$ 89,264,954
Cost of sales	74,803,263	66,720,435
Expenses	12,667,222	11,655,097
Research & devel.	3,058,103	2,410,298
Pension plans	2,038,890	1,782,027
Interest expenses	1,040,904	1,489,438
Income before taxes	$ 4,028,356	$ 5,207,659
Income taxes	1,480,056	1,953,433
Net Income	$ 2,548,300	$ 3,254,226

* Included in Costs and Expenses, Depreciation and Amortization: $1,697,066 in 1980 and $1,372,028 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 2,701,267	$ 348,433
Recov. inc. taxes	2,747,823	—
Accts. receive., net	18,879,602	15,913,043
*Inventories	26,349,172	25,942,823
Prepaid expenses	460,200	547,797
Current Assets	$ 51,138,064	$ 42,752,096
#Fixed assets	10,363,184	9,275,399
Intangibles	3,589,862	3,589,862
Defer. charges & other assets	250,124	470,547
Total Assets	$ 65,341,234	$ 56,087,904

Liabilities

	1980	1979
Long-trm debt, curr.	$ 550,000	$ 550,000
Accts. payable & accruals	8,867,879	8,757,714
Contract advances & deposits	8,601,251	3,502,773
Income taxes	1,959,485	1,181,810
Curr. Liabilities	$ 19,978,615	$ 13,992,297
Long-term debt	8,811,000	9,605,000
Employee stock obligation	600,000	900,000
Deferred inc. taxes	2,202,560	—
+ Common stock	2,337,316	2,321,755
Add. paid-in capital	14,529,734	14,301,531
Retaned earnigs	17,482,009	15,867,321
Employee stock obligation	(600,000)	(900,000)
Total Liabilities & Shareholders' Equity	$ 65,341,234	$ 56,087,904

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	4.14	5.86
%Net Income to Sales	2.62	3.66
%Net Income to Equity	7.55	10.30
Sales to Inventories	3.69	3.43
Working Capital	$ 31,159,449	$ 28,759,799
Current Ratio	2.56	3.06
Shareholders' Equity	$ 33,749,059	$ 31,590,607

EECO Incorporated

(formerly Electronic Engineering
Company of California)

1601 East Chestnut Avenue
Santa Ana, California 92701
(714) 835-6000

Officers: Patrick F. Cadigan, president & chief exec. officer; Burgess Dempster, chairman of the board; Robert B. Bonney, vice chairman; A.W. Finamore, v.p. & chief financial officer & secretary; Edward L. Scheibel, v.p. & div. mgr.-Operations Support Div.; Robert N. Alexander, v.p. & div. mgr.-Component Products Div.; Robert W. Allen, v.p.-administration.

Directors: Burgess Dempster, chairman; John F. Bishop, R.B. Bonney, W. Van Alan Clark, Jr., Fred A. Taylor, Patrick F. Cadigan, J.J. Shelton.

Areas of Work: Develops and manufactures passenger entertainment controls for airlines; thumbwheel switches; electronic packaging hardware, programming "software" and panel wiring services, modular socket assemblies and companion card files; punched tape eaders; electronic video/audio editing equipment; editing equipment; telecommunications equipment; hotel computer systems.

Subsidiaries & Affiliates:

Electronic Engineering International (DISC)
1601 E. Chestnut Avenue
Santa Ana, California 92701

EECO Incorporated
25 Viking Way, Bar Hill Cambridgeshire
CB3 8 EL England

Transfer Agent(s):

Crocker National Bank
San Francisco, California 90054

Stock Exchange(s): American

Ticker Symbol: EEC

Number of Employees:

1980	756	1977	657
1979	853	1976	536
1978	731		

Plant Footage:

1980	205,000 sq. ft.	1977	180,000
1979	205,000	1976	100,000
1978	205,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 42,644,000	$ 5,261,000
1979	34,899,000	2,202,000
1978	27,009,000	2,068,000
1977	23,007,000	1,603,000
1976	19,862,238	1,316,678

	No. of Com. Shares #	Earn. per Share #‡
1980	2,462,366	$2.14
1979	2,398,608	0.92
1978	2,347,765	0.88
1977	2,219,146	0.72
1976	2,180,817	0.61

‡ Including extraordinary gain of $74,000 ($0.05 per share) in 1978.
# Based on the weighted average number of common shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1980	1979	1978	1977
Switch control products	52%	53%	40%	40%
Packaging products	8	10	16	19
Peripheal data handling prod.	16	17	21	22
Broadcast products	5	6	8	9
Mini computer systems	19	14	15	10
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1980	$0.20	—	3-for-2
1979	0.17	—	—
1978	0.15	—	3-for-2
1977	0.13	—	—
1976	0.11	—	—

† Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 19,844,000	$8.06
1979	14,850,000	6.19
1978	12,589,000	5.36
1977	10,619,000	4.79
1976	9,208,840	4.22

‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 42,644,000	$ 34,899,000
Cost of sales	25,587,000	2,376,000
Res. and develop.	2,568,000	2,634,000
Expenses	9,051,000	7,695,000
Interest expense	809,000	803,000
Income before taxes	$ 4,629,000	$ 3,391,000
Income taxes	2,296,000	1,631,000
Income from cont. oper.	$ 2,333,000	$ 1,760,000
Income from discont. oper.	2,928,000	442,000
Net Income	$ 5,261,000	$ 2,202,000

*Included in Costs and Expenses, Depreciation: $1,240,000 in 1980 and $1,149,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 6,300,000	$ 413,000
Accts. receiv. net	6,562,000	7,697,000
*Inventories	10,266,000	9,454,000
Prepaid expenses	230,000	242,000
Prepaid taxes	642,000	428,000
Current Assets	$ 24,000,000	$ 18,234,000
Investments	—	4,165,000
# Fixed assets	8,553,000	7,943,000
Other assets	234,000	290,000
Total Assets	$ 32,787,000	$ 30,632,000

Liabilities

	1980	1979
Long-term debt, curr.	$ 40,000	$ 36,000
Accts. payable	1,500,000	2,125,000
Accrued payroll	1,231,000	842,000
Customer deposits	170,000	902,000
Income taxes	3,753,000	443,000
Other liabilities	1,107,000	883,000
Curr. Liabilities	$ 7,801,000	$ 5,231,000
Long-term debt	3,890,000	9,033,000
Deferred inc. taxes	1,252,000	1,518,000
+ Common stock	4,768,000	4,549,000
Retained earnings	15,076,000	10,301,000
Total Liabilities & Shareholders' Equity	$ 32,787,000	$ 30,632,000

*At lower of average cost or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Net Income to Equity	26.51	14.83
Sales to Inventories	4.15	3.69
Working Capital	$ 16,199,000	$ 13,003,000
Current Ratio	3.08	3.49
Shareholders' Equity	$ 19,844,000	$ 14,850,000

EG&G, Inc.

45 William Street
Wellesley, Massachusetts 02181
(617) 237-5100

Officers: Bernard J. O'Keefe, chairman of the board & chief executive officer; Dean W. Freed, president & chief operating officer; Thomas L. Yount, Joseph Giuffrida, sr. vice presidents; Eugene J. White, sr. v.p.-finance; George H. Gage, Robert L. Hammon, David J. Beaubien, Ronald W. Kiehn, Jean R. Erkelbout, Charles J. Lawson, Jr., Charles C. Francisco, Samuel Rubinovitz, v.p.'s; Leo M. Kelly, general counsel & clerk; John R. Dolan, controller; Louis P. Valente, treasurer; John S. Donahue, Murray Gross, asst. clerks; James L. McGuiness, Robert F. O'Brien, asst. treasurers.

Directors: Bernard J. O'Keefe, Dean W. Freed, Herbert E. Grier, Kent F. Hansen, Patrick J. James, Roderick M. MacDougall, John N. Philips, William F. Pounds, Joseph F. Turley, Robert F. Goldhammer.

Divisions and Subsidiaries:

EG&G Ortec
100 Midland Road
P.O. Box C
Oak Ridge, Tennessee 37830
(615) 482-4413 or 4411

ORTEC is a leading supplier of nuclear radiation detectors and associated electronic modules and instruments used in physics research. ORTEC is also prominent in two technicaly related areas: materials analysis and life sciences. In both areas, ORTEC's computerized, on-line data analysis systems based on nuclear and electronic measurement techniques are used by industry and by biomedical researchers. Materials analysis instrumentation includes x-ray energy/wavelength dispersive microanalysis systems, tube-excited florescence analyzers, and gamma spectroscopy systems. Life sciences systems are those for electrophoresis, electrophysiology, fluorescence scanning, and cerebral blood flow analysis.

EG&G Sealol
15 Pioneer Avenue
Warwick, Rhode Island 02888
(401) 781-4700

EG&G Sealol designs and manufactures mechanical sealing devices of all types for rotating shafts in aircraft, ships, nuclear submarines, nuclear power plants, automobiles, home appliances, and process pumps in refineries, petrochemical plants, and chemical processing industries and in the mining, drilling, and dredging industries. The Sealol Group maintains a global network of subsidiary operations, joint ventures, and licenses and is today the world's second largest seal supplier. The firm's sealing products for supercharges, gear boxes, fuel pumps, and air conditioning systems have become industry standards. Its welded metal bellows and mechanical face seals accommodate the temperatures, pressures, and speeds essential to energy efficiency in power-generating devices ranging from gas turbine jet engines to process pumps. Its stainless steel bellows seals for process pumps contain the harshest of abrasive slurries and have wide application in the mining, dredging, and petrochemial industries.

EG&G Sealol-Industrial Division
100 Pioneer Avenue
Warwick, Rhode Island 02888
(401) 781-4700

EG&G Sealol-Engineered Products Division
15 Pioneer Avenue
Warwick, Rhode Island 02888
(401) 781-4700

EG&G Sealol-Industrial Division
7440 West Lawrence Avenue
Chicago, Illinois 60656
(312) 867-5000

EG&G Electronic Components Division
35 Congress Street
Salem, Massachusetts 01970
(617) 745-3200

Maufactures miniature and high-energy switching devices, maintains tube production facilities for contract work.

EG&G Electro-Optics Division
35 Congress Street
Salem, Massachusetts 01970
(617) 745-3200

Designs and manufactures triggered spark gaps, special pulse transformers, flash tubes and highspeed light sources, solid-state light detection devices and instruments for the characterization of pulsed and continuous light sources.

EG&G Wakefield Systems
EG&G Wakefield Components
Audubon Road
Wakefield, Massachusetts 01880
(617) 245-5900

Develops and markets thermal dissipation devices for electronics components andsystems for life-testing of integrated circuit devices.

EG&G Environmental Equipment Division
151 Bear Hill Road
Waltham, Massachusetts 02154
(617) 890-3710

Designs and manufactures oceanograhic, meteorological and geophysical instruments and systems for pollution monitoring, research, and industrial applications. Instrumentation line includes side-scan sonar, seismic profiling systems, electromagnetic current meters, dew point hygrometers, anemometers, temperature recorders, and visibility meters.

EG&G Bionomics
Marine Research Laboraory
Gulf Beach Highway
Roue 6, Box 1002
Pensacola, Florida 32507
(904) 492-0515

Specializes in laboratory toxicology studies of aquatic life to measure precisely what levels of water pollution are harmful or fatal to different species. Provides measurement studies for the nation's leading manufacturers or processors of oil, detergents, pesticides, industrial chemicals, fertilizers and drugs, and for agencies of the Federal Government responsible for establishing environmental standards.

EG&G Environmental Consultants
151 Bear Hill Road
Waltham, Massachusetts 02154
(617) 890-3710

EG&G's Environmental Consultants offer world wide consulting services to government and industry. Its areas of expertise include meteorology, chemistry, biology, geology, oceanography, hydrology, radio-ecology, data processing, predictive modeling, and demography. The group acquires and interprets data from terrestrial, atmospheric, and aquatic environments for application to siting and construction of manufacturing and process plants, nuclear and fossil fuel power stations,and marine terminals; for drill rig siting and pipeline routing; and for port, harbor, estuary, and river engineering.

EG&G Princeton Applied Research
7 Roszel Road
P.O. Box 2565
Princeton, New Jersey 08540
(609) 452-2111

Manufacturer of specialized electronic instruments and system for a variety of testing, measurement, research and analytical applications.

EG&G Quality Measurement Systems
2555 Baird Road
Penfield, New York 14526
(716) 385-3848

Designs and manufactures digital dimensional measurement instruments and systems for mechanical inspection and measurement.

EG&G GeoMetrics
395 Java Drive
Sunnyvale, California 94086
(408) 734-4616

Develops and manufactures geophysical survey instrumentation and conducts airborne and ground-based surveys for uranium exploration interests, mining and petroleum companies, and energy-resource agencies of government.

EG&G Special Projects Division
2769 South Highland Avenue
Box 15110
Las Vegas, Nevada 89114
(702) 732-1037

Provides research, development and technical services in support of scientific test programs for agencies of the Federal Government.

Arno-Rotron Equipamentos Electriocos Ltda.
Sao Paulo, Brazil
(joint venture)

EG&G Washington Analytical Services Center
2150 Fields Road
Rockville, Maryland 20850
(301) 840-3000

Design, development, and planning programs for the U.S. Navy and a variety of acoustics studies for federal agencies and regulatory bodies. EG&G maintains and operates a fully equipped oceanographic research vessel for conduct of Navy sea trials. Supports Navywide programs to gather data showing the extent to which the environment is affected by its ships, aircraft, and shore installations. Also supports major Navy ship, submarine, and weapon-system programs involving a variety of sonar, fire control, weapon, and counter-measure projects.

Provides instrumentation, research, development, and technical services in support of DOD scientific test programs. Specific areas of interests include environmental studies; electromagnetic pulse investigation, field testing, and evaluation of systems; and electro-optics.

EG&G Energy Measurements Group
Group Headquarters
680 East Sunset Road
P.O. Box 1912
Las Vegas,Nevada 89101
(702) 739-0281

Through its DOE Support Group, EG&G is a prime contractor for technical and scientific support to the underground weapons-test program conducted by the Energy Research and Development Administration at the Nevada Test Site. The total effort, carried out at five operating locations, serves DOE's Nevada Operations Office and two national laboratories, the Los Alamos Scientific Laboratory in New Mexico and the Lawrence Livermore Laboratory in California. EG&G nuclear-related activities are focused on the design and fabrication of nuclear and diagnostic canisters, timing and control instrumentation, and sophisticated oscilloscope and digital readout systems for measuring nuclear device performance. EG&G responsibilities also encompass airborne radiation surveillance, the microminiaturization of electronic systems, and research and development in nuclear areas of interestto the government and its national laboratories.

EG&G Energy Measurement Group
Kirtland Operations
P.O. Box 4339, Station A
Albuquerque, New Mexico 87106
(505) 846-0232

EG&G Energy Measurement Group
Aerial Measurement Operations
6456 South Escondido Avenue
Las Vegas, Nevada 89119
(702) 739-0511

EG&G Energy Measurements Group
Las Vegas Operations
North Las Vegas Facility
316 East Atlas Circle
North Las Vegas, Nevada
(702) 647-5212

EG&G Energy Measurements Group
Las Vegas Operations
680 East Sunset Road
P.O. Box 1912
Las Vegas, Nevada 89101
(702) 739-0281

EG&G Energy Measurements Group
Los Alamos Operations
1100 4th Street
Los Alamos, New Mexico 87544
(505) 667-7480

EG&G Energy Measurements Group
San Ramon Operations
2801 Old Crow Canyon Road
San Ramon, California 94583
(415) 837-5381

EG&G Energy Measurements Group
Santa Barbara Operations
P.O. Box 98
130 Robin Hill Road
Goleta, California 93017
(805) 967-0456

EG&G Energy Measurements Group
Bedford Cathode Ray Tube Operations
Bedford Research Park (Bldg. C)
Crosby Drive
Bedford, Massachusetts 01730
(617) 275-1485

EG&G Energy Measurements Group
Morgantown Energy Research Center
Collins Ferry Road
P.O. Box 880
Morgantown, West Virginia 26505
(304) 599-7515

EG&G Energy Measurements Group
NEST/Aerial Measurements Systems
Andrews Air Foce Base
Washington, D.C.
(301) 763-7115

Reynolds Electrical & Engineering Co.
2501 Wyandotte Street
Post Office Box 14400
Las Vegas, Nevada 89114
(702) 734-3448

Major prime-contractor for management and support functions at the Department of Energy's Nevada Test Site (NTS). REECo is EG&G's largest subsidiary operation,with some 3,200 employees serving the 1,360 square miles of the test site area.The firm is responsible for all deep-hole drilling, mining, and construction work; for the maintenance of housing, utilities, roadways, and communications facilities; for radiation safety and medical services; and for a variety of other services essential to the operation of the test site. Under DOE assignment, REECo also provides drilling, construction, communications, medical, and advisory services to off-site programs of interest to the government. Present activities off-site encompass support to experimental projects devoted to geothermal technologyand natural gas recovery and to assessment of radiological conditions at off-continent nuclear testing areas in Alaska and in the Pacific.

EG&G Idaho
P.O. Box 1625
Idaho Falls, Idaho 83415
(208) 526-0111

Operates government-owned facilities for research and development in physics, materials, and heat transfer; nuclear waste management; and geothermal and other nonnuclear energy. Provides specialized research, development, and testing for DOE and NRC reactor safety programs and support services for the Idaho National Engineering Laboratory site.

EG&G Automotive Research
5404 Bandera Road
San Antonio, Texas 78238
(512) 684-2310

Provides automotive testing services, concentrating primarily on engine emissions, but also involving life, durability, and safety testing of fluids, components and accessories. Listed as a recognized emission laboratory by the Environmental Protection Agency. Its testing laboratories, test fleets, and test tracks represent the most compehensive testing facilities in the country and provide a broad, total service to the major automotive and tire manufacturers and the leadingoil and chemical firms in the United States.

EG&G Mason Research Institute
57 Union Street
Worcester, Massachusetts 01608
(617) 791-0931

Current activities include cancer, narcotic antagonists, and birth control research undertaken for the National Institutes of Health, and particularly the National Cancer Institute. Active in the fields of biochemistry, immunology, pathology, and pharmacology.

EG&G Millers Falls Paper Company
Millers Falls, Massachusetts 01349
(413) 659-3911

Produces specialized high quality papers for business and technical fields.

Rotron Incorporated
7 Hasbrouck Lane
Woodstock, New York 12498
(914) 679-2401

Manufactures electromechanical air-moving devices for the computer, materials handling, and pollution control industries.

EG&G Reticon
345 Potrero Avenue
Sunnyvale, California 94086
(408) 738-4266

Designs and manufactures image-sensing photodiode arrays for application in facsimile, optical character recognition, point of sale, and other scientific instruments and systems. Also designs and manufactures special camera systems for noncontact measurement, inspection, and control in manufacturing processes and analog memory delay products used in the processing of audio and video signals.

Torque Systems, Inc.
36 Arlington Street
Watertown, Massachusetts 02172
(617) 924-6000

Designs and manufactures servo motors, tachometers, servo amplifiers, and analog and digital servo control systems used in the control and positioning of computer printing heads, disc drives, and industrial machines.

EG&G Instruments, Inc.
501 Lafayette Drive
P.O. Box 3355
Oak Ridge, Tennessee 37830
(615) 482-4411

EG&G Information Systems
129 Middlesex Turnpike
Burlington, Massachusetts 01803
(617) 273-3200

EG&G Instruments
- Sao Paulo, Brazil
- Bracknell, England
- Rungis, France
- Milan, Italy
- Nieuwegein, Netherlands
- Munich, West Germany

EG&G Sealol
- Cairo, Egypt
- Nanterre, France
- Bombay, India
- County Clare, Ireland
- Milan, Italy
- Kuwait, Kuwait
- Monterrey, Mexico
- Marcaibo, Venezuela
- Gagern Ring, West Germany

- Berkshire and Uxbridge, England
- Dorval, Quebec Canada
- Mississauga, Ontario Canada
- Edmonton, Alberta Canada

EG&G Geometrics
- Arncliff, Australia
- Toronto, Canada

EG&G Environmental Consultants
- South Perth, Australia
- Singapore

EG&G Princeton Applied Research
- Brookdeal Electronics
- Bracknell, England

EG&G Wakefield Engineering
- Tijuana, Mexico

Rotron, Inc.
- Breda and Oosterhout, Netherlands

EG&G Reticon
- Bracknell, Berkshire, England

EG&G Sea-Link Systems
2818 Towerview Road
Herndon, Virginia 22070

Markets a variety of acoustic oceanographic equipment and systems ranging from release systems designed for the recovery of mooring arrays to telemetry equipment, acoustic transponder navigation systems, current measuring systems, and data-collection instruments.

EG&G SynFuels, Inc.
Fall River, Massachusetts

Investigates the technical, environmental, and economic feasibility of constructing a large, synthetic fuel plant to produce medium BTU gas from coal.

Affiliates:

KLA Instruments Corporation
4598 Patrick Henry Drive
Santa Clara, California 95050
(408) 988-6100

Specializes in the development of electronic image-analysis systems.

Eagle Industry Company (joint venture)
12-15 Shiba-Daimon 1-chome
Minato-ku, Tokyo, 105
Japan

Manufactures seals and valves for use in the home appliance, chemical processing, marine, aircraft, and utility industries.

Medical Information Technology
225 Bent Street
Cambridge, Massachusetts 02142
(617) 354-3000

EG&G Hydro
45 William Street
Wellesley, Massachusetts 02181
(617) 237-5100

Involved in privately developed low-head hydro projects in the Northeast.

Acquisition(s):

Chandler Engineering Inc.
P.O. Box 4645
7707 East 38th Street
Tulsa, Oklahoma 74145
(918) 627-1740

Manufactures high-precision measuring and calibrating instruments for the oil and gas industries.

Almond Instruments Company, Inc.
1330 East Cypress Street
Covina, California 91724
(213) 967-9521

Develops and manufactures custom power conversion systems for military and industrial applications.

GES Pty. Ltd.
Brisbane, Queensland
Australia

Performs seismic studies for petroleum and mineral companies in Australia.

Transfer Agent(s):

New England Merchants National Bank
28 State Street
Boston, Massachusetts 02108

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: EGG

Number of Employees:

1980	17,000	1977	13,900
1979	15,500	1976	12,500
1978	15,000		

Sales and Earnings †

	Net Sales ‡	Net Income
1980	$ 613,093,000	$ 26,310,000
1979	525,798,000	20,942,000
1978	443,241,000	16,712,000
1977	378,269,000	13,202,000
1976*	267,869,000	10,511,000

	No. of Com. Shares +	Earn. per Share +
1980	13,614,506	$1.93

1979	13,320,532	1.57
1978	13,855,874	1.21

† Restated to include operations of companies acquired on a pooling of interests basis.
* 53 weeks.
‡ Includes contract revenues
+ Based on weighted average number of common shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1980	1979
Instruments	$ 90,726,000	$ 81,317,000
Components	202,009,000	172,131,000
Environmental & biomedical service	14,333,000	33,837,000
Custom services & systems	68,982,000	55,443,000
Dept. of energy tech. support	194,971,000	171,249,000
Other	12,072,000	11,821,000
Total	$ 613,093,000	$ 525,798,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.40	—	—
1979	0.30	—	2-for-1
1978	0.21	—	—
1977	0.18	—	—
1976	0.08	—	—

+ Adjusted to reflect stock split.

Common Stock Equity†

	Total Equity	Equity Per Share #
1980	$ 109,083,000	$8.01
1979	82,551,000	6.20
1978	64,144,000‡	4.63

† Restated to include operations of companies acquired on a pooling of interests basis.
‡ After allowing for preferred stock at liquidation value of $100 per share.
# Based on weighted average number of common shares outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended	12/28/80	12/30/79‡
Net sales	$ 613,093	$ 525,798
Cost of sales	484,019	413,829
Expenses	83,875	76,710
Fee from non-tech. supp. serv.	(3,661)	(3,113)
Other expenses (income)	468	(28)
Income before taxes	$ 48,392	$ 38,400
Income taxes	22,082	17,458
Net Income	$ 26,310	$ 20,942

* Included in Costs and Expenses, Depreciation and Amortization: $6,306,000 in 1980 and $5,615,000 in 1979.
‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets
(000's)

As of	12/28/80	12/30/79‡
Cash	$ 5,849	$ 3,892
Short-term invest.	34,441	14,630
Accts. receiv., net	74,989	67,478
* Inventories	46,463	44,853
Other curr. assets	5,369	5,089
Current Assets	$ 167,111	$ 135,942
# Fixed assets	24,634	20,324
Other assets	7,101	6,360
Total Assets	$ 198,846	$ 162,626

Liabilities
(000's)

Notes payable & long-term debt, curr.	$ 1,160	$ 1,800
Acct. payable	27,520	26,811
Accruals	33,763	27,886
Income taxes	8,876	7,973
Curr. Liabilities	$ 71,319	$ 64,470
Long-term debt	12,439	11,340
Deferred inc. taxes	3,080	2,130
Other liabilities	2,925	2,135
+ Common stock	13,755	13,396
Add. paid-in capital	10,853	5,615
Retained earnings	84,475	63,540
Total Liabilities & Shareholders' Equity	$ 198,846	$ 162,626

‡ Restated to include operations of companies acquired on a pooling of interests basis.
* At lower of cost (FIFO or LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.89	7.30
%Net Income to Sales	4.29	3.98
%Net Income to Equity	24.12	25.37
Working Capital	$ 95,792,000	$ 71,472,000
Current Ratio	2.34	2.11
Shareholders' Equity	$ 109,083,000	$ 82,551,000

E-H International, Inc.

7303 Edgewater Drive
Oakland, California 94621
(415) 834-3030

Officers: Joseph J. McDowell, president, chief executive officer & chairman of the board; Rodney H. Manning, financial v.p. & secretary; Richard Swift, v.p.-sales & marketing; John V. Rogers, v.p.-engineering; Robert G. Bonato, v.p.-mfg.; Paul E. Goodale, v.p.-research; John B.R. Long, Jr., v.p.-foreign sales.

Directors: Joseph J. McDowell, Kenneth S. Carey, Ronald L. Ludwig, Reginald R. Kearton, W.W. Vallandigham.

Areas of Work: Designs, engineers and manufactures pulse generators, oscilloscopes, memory test systems, and semiconductor test systems, "PROM" programmers and microprocessor analysis systems.

Subsidiaries:

Automated Measurements Corporation
7303 Edgewater Drive
Oakland, California 94621
(415) 834-3030

E-H Research Laboratories (Nederland) B.V.
de Greefstraat 9
Eindhoven, The Netherlands

Transfer Agent(s):

Wells Fargo Bank, N.A.
P.O. Box 44011
San Francisco, California 94120

Stock Exchange(s): Over-the-Counter

Ticker Symbol: EHIL (NASDAQ)

Number of Employees:

1979	96	1976	97
1978	76	1975	185
1977	80		

Plant Footage:

1979	55,000 sq. ft.	1976	162,000
1978	85,000	1975	162,000
1977	162,000		

Sales and Earnings

	Net Sales	Net Income ‡
1979	$ 4,890,000	$ •(412,000)
1978	4,409,000	(18,000)
1977	4,464,000	271,000
1976	4,830,074	(1,094,710)
1975	6,342,470	353,251

	No. of Com. Shares	Earn. per Share # ‡
1979	821,274	—
1978	548,505	—
1977	471,540	$0.75
1976	331,500	—
1975	331,500	1.05

(Loss)
‡ Including extraordinary gains of $266,000 ($0.74 per share) in 1977 and $58,000 ($0.18 per share) in 1975.
# Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 898,000	$1.09
1978	606,000	1.10
1977	503,000	1.07
1976	161,739	0.49
1975	1,256,449	3.79

Income Account *

Year ended Sept. 30	1979	1978
Net sales	$ 4,890,000	$ 4,409,000
Cost of sales	2,344,000	1,889,000
Expenses	2,890,000	2,536,000
Oper. loss	$ (344,000)	$ (16,000)
Gain on sale	100,000	93,000
Interest expense	(168,000)	(95,000)
Net Loss	$ (412,000)	$ (18,000)

* Included in Costs and Expenses, Depreciation and Amortization: $50,000 in 1979 and $40,000 in 1978.

Assets

As of Sept. 30	1979	1978
Cash	$ 398,000	$ 268,000
Receiv., net	1,052,000	1,128,000
Other receiv.	87,000	27,000
* Inventories	1,307,000	1,171,000
Prepaid expenses	40,000	41,000
Current Assets	$ 2,884,000	$ 2,635,000
# Fixed assets	245,000	77,000
Other assets	76,000	33,000
Intangibles	229,000	—
Total Assets	$ 3,434,000	$ 2,745,000

Liabilities

Notes payable & long-term debt. curr.	$ 613,000	$ 504,000
Accts. payable	674,000	510,000
Accrued payroll & commissions	334,000	198,000
Other liabilities	9,000	103,000
Curr. Liabilities	$ 1,630,000	$ 1,315,000
Long-term debt	906,000	824,000
+ Common stock	821,000	550,000
Add. paid-in capital	1,378,000	945,000
Accumulated deficit	(1,301,000)	(889,000)
Total Liabilities & Shareholders' Equity	$ 3,434,000	$ 2,745,000

* At lower of cost (substantially FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

Sales to Inventories	3.74	3.77
Working Capital	$ 1,254,000	$ 1,320,000
Current Ratio	1.77	2.00
Shareholders' Equity	$ 898,000	$ 606,000

EIP Microwave, Inc.

4500 Campus Drive
Newport Beach, California 92660
(714) 540-6655

Officers: John F. Bishop, chairman of the board; Mark K. Howlett, vice chairman of the board; L.R. Foster president; Howard P. Lurie, v.p.-marketing; Larry F. Miller, v.p.-engineering; E.W. Wodiske, v.p.-mfg.; George D. Clark, chief financial officer; Hugh R. McDonald, secretary.

Directors: John F. Bishop*, Mark K. Howlett*, Burgess Dempster, J. Bradford Bishop, Robert D. Johnson.

*Member of the Executive Committee.

Areas of Work: Develops, manufactures and markets electronic test instrumentation, including pecision digital voltmeters, automatic microwave frequency counters and electronic signal sources.

Transfer Agent(s):

United California Bank
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: EIPM (NASDAQ)

Sales and Earnings

	Net Sale ‡	Net Income ‡‡
1980	$ 7,577,000	$ 48,000
1979	8,363,000	944,000
1978	7,500,000	2,083,000
1977	4,510,000	2,081,000
1976	3,467,000	1,280,000

	No. of Com. Shares	Earn. per Share ‡‡#
1980	1,047,545	$0.04
1979	1,034,412	0.82
1978	1,098,699	1.81
1977	1,085,616	1.25
1976	1,979,004	0.65

‡ Of continuing operations only.
‡‡ Including extraordinary credits $362,000 ($0.22 per share) in 1977 and $288,000 ($0.15 per share) in 1976.
# Based on the average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.08	—	—
1979	0.16	—	—
1978	0.06	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,085,000	$1.99
1979	2,116,000	2.05
1978	5,569,000	5.07
1977	6,915,000	6.37
1976	7,521,000	3.80

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 7,577,000	$ 8,363,000
Cost of sales	4,000,000	3,680,000
Expenses	3,575,000	3,677,000
Interest expense (income)	211,000	(77,000)
Real estate expense (income)	8,000	(30,000)
Income (loss) before taxes	$ (217,000)	$ 1,113,000
Income taxes (credit)	(265,000)	510,000
Income from cont. oper.	$ 48,000	$ 603,000
Income from discont. oper.	—	449,000
Gain on disposal (cost of distribution)	—	(108,000)
Net Income	$ 48,000	$ 944,000

*Included in Costs and Expenses, Depreciation and Amortization: $320,000 in 1980 and $377,000 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 242,000	$ 258,000
Accts. receiv. net	1,556,000	1,132,000
Prepaid inc. taxes	163,000	121,000
*Inventories	1,719,000	1,375,000
Prepaid expenses	8,000	32,000
Current Assets	$ 3,688,000	$ 2,918,000
# Fixed assets	537,000	5,664,000
Other assets & investments	155,000	53,000
Total Assets	$ 4,380,000	$ 8,635,000

Liabilities

Short-term debt.	$ 250,000	$ 500,000
Long-term debt. curr.	88,000	113,000
Accounts payable	600,000	477,000
Accruals	846,000	1,128
Income taxes	313,000	—
Curr. Liabilities	$ 2,097,000	$ 2,218,000
Deferred income tax	27,000	480,000
Other liabilities	—	194,000
Deferred gain on sale	171,000	—
Long-term debt	—	3,627,000
+ Common stock	458,000	454,000
Retained earnings	1,627,000	1,662,000
Total Liabilities & Shareholders' Equity	$ 4,380,000	$ 8,635,000

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Net Income to Equity	2.30	44.61
Sales to Inventories	4.40	6.08
Working Capital	$ 1,591,000	$ 700,000
Current Ratio	1.75	1.32
Shareholders' Equity	$ 2,085,000	$ 2,116,000

Electric Regulator Corporation

Pearl Street
Norwalk, Connecticut 06852
(203) 847-0431

Officers: James Ettinger, president; Richard J. Warren, v.p. & secretary-treasurer.

Directors: James Ettinger, Richard J. Warren, Christian Otteson.

Areas of Work: Products include: direct current motors, controls and operators' stations for fractional ratings to 1,000 HP; combination of solid state braking accessory with standard DC drives for specialized uses in metal cutting, winding, paper converting; fully controlled acceleration and deceleration for smooth starting, stopping and braking of alternating current induction motors; solid state control systems for electric vehicles such as fork lift trucks, utility vehicles and construction machinery; high power semiconductors for controlling AC or DC power.

Subsidiaries:

Power Semiconductors, Incorporated
Electricar Corp.
Electric Regulator International, Inc.

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	123	1977	125
1979	127	1976	125
1978	125		

Plant Footage:

1980	55,000 sq. ft.	1977	55.000
1979	55,000	1976	55,000
1978	55,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 6,615,397	$ 253,019
1979	6,811,765	197,712
1978	6,786,515	130,239
1977	6,622,259	119,440
1976	6,630,766	(57,497)

	No. of Com. Shares ‡	Earn. per Share ‡ #
1980	1,115,676	$0.23
1979	1,115,676	0.18
1978	1,115,676	0.11
1977	1,381,188	0.09
1976	1,381,188	—

‡ Based on the average number of shares outstanding.
# Including extraordinary gain of $77,492 ($0.07 per share) in 1980 and $45,777 ($0.04 per share) in 1978.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 1,515,720	$1.36
1979	1,262,701	1.13
1978	1,064,989	0.94
1977	969,750	0.70
1976	850,310	0.62

‡ Based on the average number of shares outstanding.

Income Account *

Year ended Oct. 31	1980	1979
Net sales	$ 6,615,397	$ 6,811,763
Cost of sales	4,332,189	4,664,160
Expenses	2,099,932	1,752,716
Other income	(96,881)	(2,535)
Income before taxes	$ 280,157	$ 397,424
Income taxes	104,630	199,712
Net Income	$ 175,527	$ 197,712
Extraord. gain	77,492	—
Net Income & extraord. gain	$ 253,019	$ 197,712

* Included in Costs and Expenses, Depreciation and Amortization: $144,927 in 1980 and $112,636 in 1979.

Assets

As of Oct. 31	1980	1979
Cash	$ 538,542	$ 751,290
Receiv., net	700,702	734,658
* Inventories	2,336,112	1,627,168
Prepaid inc. taxes	104,433	104,433
Prepaid expenses	78,290	53,019
Current Assets	$ 3,758,079	$ 3,270,568
Cash value of life ins.	23,863	53,121
# Fixed assets	240,725	221,938
Total Assets	$ 4,022,667	$ 3,545,627

Liabilities

Notes payable	$ 550,000	$ 350,000
Accts. payable	535,730	407,278
Accruals	1,044,330	1,190,689
Accrued warranty costs	200,000	200,000
Income taxes	122,088	82,860
Curr. Liabilities	$ 2,452,148	$ 2,230,827
Deferred inc. taxes	54,799	52,099
+ Common stock	111,568	111,568
Add. paid-in capital	2,166,767	2,166,767
Retained earnings	2,106,251	1,853,232
Reacquired stock	(2,868,866)	(2,868,866)
Total Liabilities & Shareholders' Equity	$ 4,022,667	$ 3,545,627

* At lower of cost (FIFO) or net realizable value.
# Less accumulated depreciation & amortization.
+ $0.10 par value.

Statistical Summary

% Income bef. Taxes to Sales	4.23	5.83
% Net Income to Sales	2.65	2.90
% Net Income to Equity	11.58	15.66
Sales to Inventories	2.83	4.19
Working Capital	$ 1,305,931	$ 1,039,741
Current Ratio	1.53	1.47
Shareholders' Equity	$ 1,515,720	$ 1,262,701

Electro Audio Dynamics, Inc.

98 Cutter Mill Road
Great Neck, New York 11021
(516) 466-5100

Officers: Siegfried Susskind, president & chief exec. officer; H. Ridgely Bullock, chairman of the board; Abraham A. Vogel, sr. v.p.-finance & administration & treasurer; Roger Cloire, v.p.-electro mechanical products group; Scott L. Davis, v.p.- High Fidelity and Antenna Products Group, domestic; Robert P. Laino, v.p. & controller; Edward M. Siegel, v.p., secretary & general counsel.

Directors: H. Ridgely Bullock*, chairman; Siegfried Susskind*, John I. Taeni, Herbert M. Stein*, Abraham A. Vogel.

*Member of Executive Committee.

Areas of Work: Maufactures audio and consumer electronics and electrical products including high fidelity systems and audio components, indoor TV and FM antennas, precision motors, circuit connecting devices, printed circuit boards, precision mechanical components, timing devices, sound measuring equipment and medical instrumentation.

Divisions and Subsidiaries:

Acton Environmental Testing Corporation
533 Main Street
Acton, Massachusetts 01720
(617) 263-2933
Tests the reliability of components under various simulated conditions mainly for the military, NASA. and commercial programs.

Matrix Research and Development Corporation
Hudson, New Hampshire
Produces military and space electronic and electro-mechanical components, mainly power converters, pulse height analyzers, digital sub-systems and similar equipment used in satellites, and conducts related research and development programs.

Eastern Air Devices Motor Division
1 Progress Drive
Dover, New Hampshire 03820
(603) 742-3330
Produces high performance fractional and subfractional horsepower AC and DC motors, stepper, servo, instrument and gear motors. Also manufactures blowers usedin computers, copying machines, communications apparatus and industrial controldevices.

National Tel-Tronics Inc.
Meadville, Pennsylvania
(814) 724-6440
Makes terminal strips and boards for commercial and military use, plugs and jacks, anode connectors and related items for television, radio, and hi-fidelity equipment; also insulating materials, terminal and printed circuit boards.

Scott Instrument Division
13 Sagmore Park Road
Hudson, New Hampshire 03051
(603) 880-6300
Distributes noise level meter products.

All Channel Products
42-40 Bell Plaza
Bayside, New York 11361
(212) 229-5900
Produces indoor television and FM antennas marketed under the trade name "Rembrandt" as well as under the private name of certain customers.

Astro Circuit Corp.
100 Hale Street
Lowell, Massachusetts 01851
(617) 458-3240
Engineers, designs and fabricates printed circuit boards sold to the electronic industry for use in subassemblies and modules.

KLH Research and Development Corp.
7945 Deering Avenue
Canoga Park, California
(213) 992-0418

Manufactures and distributes high fidelity component systems which includes loudspeakers, turntables, amplifiers and tuners. Also markets individual components seperately.

Infinity Systems, Inc.
7930 Deering Avenue
Canoga Park, California 91304
(213)883-4800
Produces sophisticated high fidelity loudspeaker systems and other audio components.

American Electromedics Corp.
13 Sagamore Park Road
Hudson, New Hampshire 03051
(603) 880-6300

*Peerless Audio Manufacturing Corp.
40 Jytek Drive
Leominster, Massachusetts 01453
(617) 537-6001
Produces loudspeakers.

*Peerless Fabrikkerne (India), Ltd.(51% owned)
Bombay, India
Manufactures loudspeaker systems.

*Peerless Fabrikkerne A/S
Gladsaxe Ringvej
Copenhagen, Denmark
Manufactures loudspeakers, speaker systems, magnets and related products.

*Peerless Elektronik G.m.b.H.
Dusseldorf, Germany

*Radio AB Peerless
Malmo, Sweden

*Peerless Handelsgesellschaft G.m.b.H.
Vienna, Austria

Unison A/S Speaker Systems
Horsens, Denmark

*Peerless MB G.m.b.H.
Obrigheim, Germany
Manufacturer of headphones and microphones.

*Peerless U.K.
Northwood, England

*Peerless Group is 60% owned by EAD, 40% by Chr. Augustinus Fabrikken of Denmark.

Bretton International S.A.
Cluses, France
Maker of fishing reels, electro-mechanical timing devices and television motors.

Technodyne Inc. (81.5% owned)
Electro-mechanical products, medical instrumentation, and environmental testingbusiness.

Joint Venture:

IKC International, Inc.
A joint venture with Kyoto Ceramic Co., Ltd. wich acquired EAD's domestic highfidelity loudspeaker companies and Infinity Systems, Inc.

Transfer Agent(s):

The Bank of New York
90 Washington Street
New York, New York 10015

United States Trust Company of New York
45 Wall Street
New York, New York 10005

J. Henry Schroder Bank & Trust Company
1 State Street
New York, New York 10015

Stock Exchange(s): American

Ticker Symbol: EAD

Number of Employees:

1980	1,741	1977	1,665
1979	1,796	1976	1,650
1978	1,950		

Plant Footage:

1980	906,000 sq. ft.	1977	1,051,000
1979	980,000	1976	93,211
1978	980,000		

Sales and Earnings

	Net Sales	Net Income †
1980	$ 78,401,000	$ (130,000)
1979	68,321,000	212,000
1978	67,886,000	2,522,000
1977	56,156,000	(1,495,000)
1976	46,989,000	777,000

	No. of Com. Shares #	Earn. per Share #†
1980	1,738,823	$ —
1979	2,033,525	0.07
1978	2,038,707	1.21
1977	2,495,291	—
1976	2,495,291	0.30

(Loss)
† Including extraordinary gain of $426,000 in 1980.
# Based on average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1980	1979	1978	1977
High-fidelity & antenna prod. group	63%	64%	68%	66%
Electro-mechanical prod. group	37	36	32	34
Total	100%	100%	100%	100%

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 17,173,000	$9.88
1979	16,767,000	8.25
1978	17,155,000	8.41
1977 ‡	16,784,000	6.73
1976 ‡	18,281,000	7.40

‡ After allowing for preferred stock at liquidating value of $100 per share.

Income Account *

Year ended	1980	1979
Net sales	$ 78,401,000	$ 68,321,000
Cost of sales	55,818,000	46,617,000
Expenses	18,878,000	16,287,000
Depreciation	1,715,000	1,652,000

Interest expense	4,640,000	3,054,000
Minority interest	(816,000)	218,000
Gain on sale	(866,000)	—
Income (loss) before taxes	$ (968,000)	$ 493,000
Income taxes (credit)	(412,000)	281,000
Net Income (Loss)	$ (556,000)	$ 212,000
Extraord. gain	426,000	—
Net Income (Loss) & Extraord. gain	$ (130,000)	$ 212,000

Assets

As of	1980	1979
Cash	$ 1,586,000	$ 2,142,000
Accts. & notes receiv., net	13,177,000	12,211,000
*Inventories	28,203,000	27,923,000
Prepaid expenses	1,023,000	1,035,000
Current Assets	$ 43,989,000	$ 43,311,000
Notes receiv.	683,000	701,000
# Fixed assets	16,518,000	14,220,000
Other assets	2,247,000	2,367,000
Intangibles	8,227,000	8,298,000
Total Assets	$ 71,664,000	$ 68,897,000

Liabilities

Notes payable	$ 6,699,000	$ 6,468,000
Long-term debt, curr.	2,539,000	2,758,000
Accts. payable	8,346,000	7,143,000
Accruals	3,475,000	4,007,000
Income taxes	200,000	394,000
Curr. Liabilities	$ 21,259,000	$ 20,590,000
Long-term debt	10,679,000	7,930,000
Sub. conv. deben.	16,034,000	16,411,000
Deferred inc. taxes	696,000	1,521,000
Other liabilities	5,232,000	4,018,000
Redeemable preferred stock	2,793,000	2,788,000
+ Common stock	2,793,000	2,788,000
Add. paid-in capital	12,001,000	11,418,000
Retained earnings	6,563,000	6,742,000
Treasury stock	(4,184,000)	(4,181,000)
Total Liabilities & Shareholders' Equity	$ 71,644,000	$ 68,897,000

*At lower of cost (weighted average or FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	0.72
%Net Income to Sales	—	0.31
&Net Income to Equity	—	1.26
Sales to Inventories	2.78	2.45
Working Capital	$ 22,730,000	$ 22,721,000
Current Ratio	2.07	2.10
Shareholders' Equity	$ 17,173,000	$ 16,767,000

Electro Powerpacs Corp.

253 Norfolk Street
Cambridge, Massachusetts 02139
(617) 876-9220

Officers: Franklin W. Hobbs, president & treasurer; Henry Dormitzer, chairman of the board; Ralph S. Dormitzer, vice president-engineering; James F. Garrity, v.p. & controller; Francis P. Wilcox, Jr., clerk.

Directors: Franklin W. Hobbs, Henry Dormitzer, Kenneth W. Galeucia, Calvin W. Clayton, George M. Naylor, Jr., Charles Hardy Redd, Francis P. Wilcox, Jr.

Areas of Work: Produces emergency lighting equipment systems and electro optics equipment and systems.

Transfer Agent(s):

Boston Safe Deposit & Trust Co.
One Boston Place
Boston, Massachusetts 02110

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980 65

Plant Footage:

1980 . . . . . . 28,000 sq.ft.

Sales and Earnings

	Net Sales	Net Income
1980	$ 2,422,911	$ 96,090
1979	2,020,482	59,167
1978	1,831,278	40,091
1977	1,744,465	50,163
1976	1,448,532	71,825

	No. of Com. Shares	Earn. per Share #
1980	506,520	$0.19
1979	506,520	0.12
1978	506,520	0.08
1977	474,020	0.09
1976	474,020	0.15

# Based on average number of common shares and common share equivalents shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 715,105	$1.41
1979	619,015	1.22
1978	559,848	1.11
1977	508,007	1.07
1976	465,844	0.98

Income Account *

Year ended June 30	1980	1979
Net sales	$ 2,422,911	$ 2,020,482
Cost of sales	1,665,876	1,427,905
Expenses	542,215	469,586
Oper. profit	$ 214,020	$ 122,991
Interest expense	54,630	38,624
Income before taxes	$ 160,190	$ 84,367
Income taxes	64,100	25,200
Net Income	$ 96,090	$ 59,167

*Included in Costs and Expenses, Depreciation: $29,583 in 1980 and $23,320 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 30,884	$ 26,866
Accts. receiv., net	422,242	449,495
*Inventories	735,244	656,230
Prepaid expenses	11,045	16,758
Current Assets	$ 1,199,415	$ 1,149,349
# Fixed assets	141,008	107,357
Other assets	5,570	900
Total Assets	$ 1,345,993	$ 1,257,606

Liabilities

Notes payable	$ 154,000	$ 154,000
Long-term debt, curr.	9,653	25,873
Equip. note pay.	6,700	—
Mortgage payable	28,841	1,000
Accts. payable	137,780	137,432
Accruals	15,055	22,234
Curr. Liabilities	$ 352,029	$ 340,539
Long-term debt:		
Term loan	22,404	26,199
Equip. note pay.	35,243	—
6% Mortgage	—	29,496
7½% Subord. deben.	80,212	86,357
Notes payable	141,000	156,000
+ Common stock	50,652	50,652
Add. paid-in capital	8,500	8,500
Retained earnings	655,953	559,863
Total Liabilities & Shareholders' Equity	$ 1,345,993	$ 1,257,606

*At lower of cost or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes	6.61	4.18
%Net Income to Sales	3.97	2.93
%Net Income to Equity	13.44	9.56
Sales to Inventories	3.30	3.08
Working Capital	$ 847,386	$ 808,810
Current Ratio	3.41	3.38
Shareholders' Equity	$ 715,105	$ 619,015

Electrohome Limited

809 Wellington Street North
Kitchener, Ontario, Canada N2G 4J6
(519) 744-7111

Officers: J.A. Pollock, chairman of the board & v.p.-operations; Stewart Maclellan, president & chief executive officer; D.S. Sykes, exec. v.p.; D.O. Douey, v.p.-finance; H.H. LaPier, v.p.-Electrohome & gen. mgr., Electronics Div., W.D. McGregor, v.p.-Electrohome & pres., CAP Communications Limited; H.I. Eby, secretary-treasurer.

Directors: W.A. Bean*, J.A. Pollock*, J. Holmes, D.W. Morison*, D.S. Sykes*, J.M. Bridgman*, Barbara L. Steele, Stewart Maclellan*.

*Member of Executive Committee.

Areas of Work: Manufactures the following products for the home; stereo hi-fidelity instruments, televisions, phonographs, fans, humidifiers, air purifiers, dehumidifiers, electro heating systems, air conditioners, furniture, tables, bedroom suites and dining room suites. Also manufactures the following commercial products; fractional horsepower motors, educational TV receivers, monitors, phonos, video monitors.

Subsidiaries:

Electrohome Communications Limited
809 Wellington Street North
Kitchener, Ontario, Canada
(519) 744-7111

Central Ontario Television Limited
864 King Street West
Kitchener, Ontario, Canada
(519) 578-1313

Electrohome (Malaysia) Sdn. Bhd.
Malaysia

Transfer Agent(s):

Montreal Trust Company (common shares)
Toronto, Montreal & Winnipeg, Canada

National Trust Company, Limited (preferred shares)
Toronto, Montreal, Winnipeg & Vancouver, Canada

Stock Exchange(s): Toronto

Ticker Symbol: EL

Number of Employees:

1980	2,561	1977	2,240
1979	2,418	1976	3,119
1978	2,018		

Sales and Earnings

	Net Sales	Net Income #
1980	$183,985,000	$ 15,793,000
1979	128,695,000	4,928,000
1978	98,224,000	698,000
1977	92,147,000	(3,106,000)
1976*	93,660,000	(8,002,000)

	No. of Com. Shares	Earn. per Share + #
1980	3,123,481	$5.09
1979	3,044,584	1.61
1978	2,993,468	0.21
1977	2,986,250	—
1976	2,986,205	—

(Loss)
*53 weeks.
+ Based on the weighted average number of Class A, Class B and common shares outstanding.
# Including extraordinary gains of $6,247,000 ($2.02 per share) in 1980, $1,559,000 ($0.52 per share) in 1979, $17,000 ($0.01 per share) in 1978 and extraordinary losses of $19,000 in 1977 and $2,886,000 in 1976.

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$ 27,145,000	$8.69
1979	11,381,000	3.74
1978	6,257,000	2.09

‡ After allowing for preferred stock at par value.

Income Account *
(000's)

Year ended	12/26/80	12/28/79
Net sales	$ 183,985	$ 128,695
Cost of sales & expenses	163,234	116,426
Depreciation	1,670	1,670
Interest expense	3,019	3,838
Amort. of intangibles	76	76
Other interest	1,167	640
Income before taxes	$ 14,819	$ 6,045
Income taxes	5,273	2,676
Net Income	$ 9,546	$ 3,369
Extraord. gain	6,247	1,559
Net Income & extraord. gain	$ 15,793	$ 4,928

Assets
(000's)

As of	12/26/80	12/28/79
Accts. receiv., net	$ 22,872	$ 20,961
*Inventories	28,229	28,528
Prepaid expenses	2,507	2,034
Recov. inc. taxes	56	435
Current Assets	$ 53,664	$ 51,958
# Fixed assets	14,763	13,251
Intangibles	1,873	1,949
Total Assets	$ 70,300	$ 67,158

Liabilities
(000's)

Long-term debt, curr.	$ 721	$ 4,081
Accts. payable & accruals	16,707	17,315
Bank advances	9,066	3,726
Deferred income	3,196	2,902
Curr. Liabilities	$ 29,690	$ 28,024
Long-term debt	11,448	23,187
Deferred inc. taxes	534	3,083
+ Preferred stock	1,483	1,483
+ + Class A & Class B	4,341	4,029
Retained earnings	22,804	7,352
Total Liabilities & Shareholders' Equity	$ 70,300	$ 67,158

*At lower of cost & replacement cost or net realizable value.
# Less accumulated depreciation.
+ $100 par value; 5⅔% cumulative.
+ + No par value.

Statistical Summary

%Income bef. Taxes to Sales	8.05	4.70
%Net Income to Sales	5.19	2.62
%Net Income to Equity	33.34	26.19
Sales to Inventories	6.52	4.51
Working Capital	$ 23,974,000	$ 23,934,000
Current Ratio	1.81	1.85
Shareholders' Equity	$ 28,628,000	$ 12,864,000

Electromagnetic Sciences, Inc.

125 Technology Park
Norcross, Georgia 30092
(404) 448-5770

Mailing Address:
P.O. Box 80508
Atlanta, Georgia 30366

Officers: John E. Pippin, president; William K. Alverson, v.p.-marketing; Joseph W. Simon, senior v.p.-operations; Thomas E. Sharon, v.p.-advanced development; Bruce R. Savage, v.p.-engineering programs; Don T. Scartz, v.p.-finance & treasurer; C. Edward Hansell, secretary.

Directors: John E. Pippin, Joseph W. Simon, Henry A. Bronner, C. Edward Hansell, C. Lester Hogan, Richard V. Holsinger, Jerry H. Lassiter.

Areas of Work: Develops, manufactures and markets a variety of microwave products including VHF UHF coaxial circulators, waveguide and coaxial latching circulators, single channel monopulse converters, TR switches, latching pase shifters, microwave diversity switches, ferrite modulators, also designs and produces a complex console system, containing multiple digital control circuits, memory circuits, and read-out circuits.

Transfer Agent(s):
National Bank of Commerce
Dallas, Texas

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ELMG (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1980	$ 6,282,297	$ 403,099
1979	5,052,775	262,640
1978	3,770,507	214,459
1977	2,723,159	174,721
1976	1,952,148	(34,811)

	No. of Com. Shares	Earn. per Share #
1980	1,209,725	$0.43
1979	855,675	0.30
1978	852,625	0.25
1977	849,875	0.20
1976	843,075	—

(Loss)
Based on weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 4,773,843	$3.95
1979	1,993,862	2.33
1978	1,726,540	2.02
1977	1,504,450	1.77
1976	1,316,385	1.56

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 6,282,297	$ 5,052,775
Cost of sales	4,674,308	3,854,102
Expenses	889,323	710,499
Interest income	(72,581)	(10,571)
Interest expense	137,148	110,105
Income before taxes	$ 654,099	$ 388,640
Income taxes	251,000	126,000
Net Income	$ 403,099	$ 262,640

*Included in Costs and Expenses, Depreciation and Amortization: $228,418 in 1980 and $172,412 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 465,279	$ 206,531
Receiv., net	1,603,644	1,541,402
*Inventories	379,284	296,953
Prepaid expenses	11,301	14,681
Current Assets	$ 4,415,632	$ 2,059,567
# Fixed assets	2,262,082	1,870,568
Other assets	79,619	76,147
Total Assets	$ 6,757,333	$ 4,006,282

Liabilities

Long-term debt, curr.	$ 35,253	$ 151,691
Accts. payable	317,257	210,835
Accrued payroll	348,372	212,622
Other accrued exp.	31,376	29,385
Pension expense	87,195	67,022
Income taxes	140,402	90,143
Curr. Liabilities	$ 959,855	$ 761,698
Long-term debt	790,130	1,076,217
Deferred comp.	37,288	25,288
Deferred inc. taxes	196,217	149,217
+ Common stock	122,562	87,157
Add. paid-in capital	3,401,869	1,060,392
Retained earnings	1,283,143	880,044
Treasury stock	(33,731)	(33,731)
Total Liabilities & Shareholders' Equity	$ 6,757,333	$ 4,006,282

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.41	7.69
%Net Income to Sales	6.42	5.20
%Net Income to Equity	8.44	13.17
Sales to Inventories	16.56	17.02
Working Capital	$ 3,455,777	$ 1,297,869
Current Ratio	4.60	2.70
Shareholders' Equity	$ 4,773,843	$ 1,993,862

Electronic Associates, Inc.

185 Monmouth Parkway
West Long Branch, New Jersey 07764
(201) 229-1100

Officers: Gerald A. Hoyt, chairman of the board; Edward A. Petko, president & chief executive officer; Zygmund Reich, v.p.-engineering; Fred L. Martinson, v.p.-manufacturing; Edward C. Puth, v.p.-finance, treasurer & secretary; Milton Sanders, v.p.-marketing; Edwin N. Millar, corporate controller; Lee C. Errickson, asst. treasurer; James E. Mericle, asst. secretary.

Directors: Arthur L. Adamson, Edward M. Block, Gerald A. Hoyt, Edward A. Petko, Richard L. Shetler, Arthur M. Vash, Zygmund Reich, Fred L. Martinson.

Electronic Associates, Inc.

Areas of Work: Develops, manufactures and services analog and hybrid computers for the following markets; aerospace and defense, chemicals and other process industries, transportation, nuclear-power and education. Also manufactures flight simulator systems and ENCAL energy measurement system which determines the energy content of natural gas.

Divisions and Subsidiaries:

EAI Realty Development Company
185 Monmouth Parkway
West Long Branch, New Jersey 07764
(201) 229-1100

EAI-Electronic Associates, Pty., Ltd.
48 Atchison Street
St. Leonards, N.S.W. Australia

EAI-Electronic Associates (Japan), Inc.
9th Mori building
1-3 Shiba-Atago-cho, Minato-Ku
Tokyo, Japan 105

EAI-Electronic Associates-SARL
25/27, Rue Ginoux
75737 Paris Cedex 15, France

EAI-Electronic Associates GmbH
Franzstrasse 107
51 Aachen
West Germany

Transfer Agent(s):

Manufacturers Hanover Trust Company
40 Wall Street
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: EA

Number of Employees:

1980	862	1977	718
1979	815	1976	837
1977	806		

Plant Footage:

1980	312,000 sq. ft.	1977	373,000
1979	373,000	1976	373,000
1978	373,000		

Sales and Earnings

	Net Sales +	Net Income †
1980	$ 43,683,000	$ 3,005,000
1979	38,707,000	3,419,000
1978	32,145,000	2,566,000
1977	26,431,000	48,000
1976	23,676,000	(3,980,000)

	No. of Com. Shares	Earn. per Share † #
1980	2,746,059	$1.06
1979	2,720,059	1.22
1978	2,764,000	0.92
1977	2,670,559	0.02
1976	2,670,559	—

(Loss)
+ Of continuing operations; includes income from sales, service and rentals.
† Including extraordinary gains of $1,246,000 ($0.44 per share) in 1980, $1,539,000 ($0.55 per share) in 1979, $1,059,000 ($0.38 per share) in 1978, $34,000 ($0.01 per share) in 1977 and $190,000 ($0.07 per share) in 1976.
# Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1980	1979	1978	1977
Computers & systems	42%	52%	52%	64%
Services	10	10	11	13
Poer plant simulators & monitoring systems	34	23	24	11
Flight trainers	6	6	7	5
Mfg. subcontracts	8	9	6	7

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 16,162,000	$5.89
1979	13,061,000	4.80
1978	9,599,000	3.55
1977	6,977,000	2.61
1976	6,929,000	2.59

Income Account *
(000's)

Year ended	1/2/81	12/28/79
Net sales, service & rentals	$ 43,683	$ 38,707
Cost of sales, service & rentals	30,624	26,526
Expenses	9,692	8,672
Interest expense	190	359
Other income	(167)	(443)
Income before taxes	$ 3,344	$ 3,593
Income taxes	1,585	1,713
Net Income	$ 1,759	$ 1,880
Extraord. gain	1,246	1,539
Net Income & extraord. gain	$ 3,005	$ 3,419

* Included in Costs and Expenses, Depreciation and Amortization: $547,000 in 1980 and $535,000 in 1979.

Assets
(000's)

As of	1/2/81	12/28/79
Cash	$ 1,418	$ 1,665
Marketable securities	3,100	250
Receiv., net	10,301	11,306
* Inventories	5,625	4,941
Prepaid expenses	99	107
Current Assets	$ 20,543	$ 18,269
# Fixed assets	4,165	3,567
Other assets	142	138
Total Assets	$ 24,850	$ 21,974

Liabilities
(000's)

Notes payable	$ —	$ 128
Long-term debt, curr.	88	79
Accts. payable	2,499	2,101
Accruals	2,643	3,221
Customer prepayments	1,514	679
Income taxes	265	135
Curr. Liabilities	$ 7,009	$ 6,343
Long-term debt	1,679	2,570
+ Common stock	2,746	2,720
Add. paid-in capital	27,979	27,909
Deficit	(14,563)	(17,568)
Total Liabilities & Shareholders' Equity	$ 24,850	$ 21,974

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.66	9.28
%Net Income to Sales	4.03	4.86
%Net Income to Equity	10.88	14.39
Working Capital	$ 13,534,000	$ 11,926,000
Current Ratio	2.93	2.88
Shareholders' Equity	$ 16,162,000	$ 13,061,000

Electronic Control Systems, Inc.

U.S. Route 19, Westchester Addition
Post Office Box 1232
Fairmont, West Virginia 26554
(304) 363-8632

Officers: Michael E. Basile, president; Robert E. Harkins, vice president; Leo F. Modi, secretary and treasurer.

Directors: Michael E. Basile, Leo F. Modi, Robert E. Harkins, Paul L. Layman, William R. Newlin.

Areas of Work: Manufactures a line of temperature and power controls from a simple control loop to fabrication of complete panel systems, with all necessary instrumentation including controllers, power units, switchgear, alarm functions, computer back-up, recorders, and annunciators engineered and/or custom designed to customer's specifications. Major markets are manufacturers of electric furnaces, electric ovens, synthetic fibers, glass fiber glass, semi-conductor, plastic extruding and molding machinery.

Subsidiaries:

JBD Corporation

ECS International, Inc.
P.O. Box 1232
Fairmont, West Virginia 26554

Transfer Agent(s):

The Union National Bank
of Pittsburgh
Pittsburgh, Pennsylvania

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ELCS (NASDAQ)

Number of Employees:

1980	96

Plant Footage:

1980	39,000 sq. ft.	1977	39,000
1979	39,000	1976	39,000
1978	39,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 2,987,713	$ 41,769
1979	2,751,496	121,577
1978	3,232,775	305,117
1977	2,605,044	116,471
1976	1,403,281	(198,366)

	No. of Com. Shares #	Earn. per Share ‡ #
1980	925,715	$0.05
1979	929,165	0.13
1978	932,397	0.33
1977	940,830	0.12
1976	946,472	—

(Loss)
‡ Including extraordinary credits of $98,288 ($0.11 per share) in 1978 and $23,729 ($0.02 per share) in 1977.
# Based on the weighted average number of common shares outstanding.

Revenues By Line of Business

	1980	1979	1978	1977
Temp. control devices	49%	48%	51%	49%
SCR power supply devices	48	47	46	47
Alarm systems	3	5	3	4
Total	100%	100%	100%	100%

Common Stock ‡

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.05	—	—
1979	0.05	—	—

Common Stock Eqluity†

	Total Equity	Equity Per Share ‡
1980	$ 1,997,756	$2.16
1979	2,009,392	2.16

† Restated to reflect reclassification of unpaid portion of capital stock subscriptions.

‡ Based on the weighted average number of common shares outstanding.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 2,987,713	$ 2,751,496
Other income	59,826	68,356
Minority interest	(314)	6,373
Total income	$ 3,047,225	$ 2,826,225
Cost of sales	2,370,380	2,143,527
Expenses	623,209	514,914
Interest expense	15,254	17,661
Income before taxes	$ 38,382	$ 150,123
Income taxes (credit)	(3,387)	28,546
Net Income	$ 41,769	$ 121,577

*Included in Costs and Expenses, Depreciation and Amortization: $42,838 in 1980 and $29,244 in 1979.

Assets

As of Sept. 30	1980	1979 ‡
Cash	$ 109,830	$ 174,983
Marketable securities	369,352	305,072
Accts. receiv., net	245,301	487,387
*Inventories	871,954	958,558
Refund inc. tax	33,914	—
Prepaid expenses	41,495	43,324
Current Assets	$ 1,671,846	$ 1,969,324
Investments	295,817	296,131
# Fixed assets	330,399	316,948
Intangibles	3,179	3,793
Total Assets	$ 2,301,241	$ 2,586,196

Liabilities

Notes payable	$ 147,259	$ 246,309
Accts. payable	67,058	196,124
Inc. taxes payable	211	19,160
Accruals	53,591	70,337
Other liabilities	7,655	3,930
Curr. Liabilities	$ 275,774	$ 535,860
Contract option payable	20,413	34,114
Deferred inc. taxes	7,298	6,830
+ Common stock	98,036	98,036
Add. paid-in capital	1,365,214	1,365,214
Retained earnings	648,405	653,024
Treasury stock	(67,730)	(60,713)
Amts. receiv. from officers	(46,169)	(46,169)
Total Liabilities & Shareholders' Equity	$ 2,301,241	$ 2,586,196

‡ Restated to reflect reclassification of unpaid portion of capital stock subscriptions.

*At lower of cost (FIFO or average) or market.

Less accumulated depreciation.

+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	5.46
%Net Income to Sales	1.40	4.42
%Net Income to Equity	2.09	6.05
Sales to Inventories	3.43	2.87
Working Capital	$ 1,396,072	$ 1,433,464
Current Ratio	6.06	3.66
Shareholders' Equity	$ 1,997,756	$ 2,009,392

Electronic Memories & Magnetics Corporation

15760 Ventura Boulevard
Encino, California 91436
(213) 995-1755

Officers: Trude C. Taylor, chairman of the board and president; James D. Norman, Richard P. Shively, vice presidents; Raymond C. Lawhon, v.p.-finance; Joseph E. Weber, v.p.-industrial relations.

Directors: Harry S. Derbyshire, C. Arnold Kalman, Will Richeson, Jr., Trude C. Taylor, John P. Del Favero, William R. Zimmerman.

Areas of Work: Engaged in the design, manufacture and sale of memory, magnetic and other ferrite products, including magnetic core memory systems, magnetic cartridge file and disk pack memories, permanent magnets, magnetic ferrite materials, high technology ferrite components, small hosepower DC motors, and stainless steel castings.

Subsidiaries:

Electronic Memories International, N.V. (Netherlands Antilles)
Electronic Memories, Ltd. (United Kingdom)
Electronic Memories & Magnetics, GmbH (Germany)
Electronic Memories & Magnetics, S.A. (Belgium)
Electronic Memories & Magnetics (Kaohsiung) Corporation (Taiwan)
Electronic Memories & Magnetics (Taiwan) Corporation
Electronic Memories & Magnetics, Limited (Hong Kong)
EMM World Trade Corporation
Ferromagnetica, S.A. (Mexico)
Canada Alloy Castings, Ltd.
Tek-Devices Limited (Hong Kong)
IG-Mex (Mexico)
Severe Environment Systems Company
Peripheral Products, Inc.

Transfer Agent(s):

Bank of America, N.T. & S.A.
555 South Flower Street
Los Angeles, California 90071

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: EMM

Number of Employees:

1980	3,400	1977	4,100
1979	3,400	1976	4,122
1978	4,500		

Plant Footage:

1980	1,070,000 sq.ft.	1977	1,272,000
1979	1,303,000	1976	1,306,000
1978	1,368,000		

Sales and Earnings

	Net Sales +	Net Income ‡
1980	$ 98,756,000	$ 2,996,000
1979	106,690,000	2,605,000
1978	92,906,000	5,799,000
1977*	76,362,000	4,706,000
1976	69,979,000	8,746,000

	No. of Com/ Shares ×	Ear. per Share ‡×
1980	5,399,652	$0.36
1979	5,392,539	0.29
1978	5,403,170	0.88
1977	5,389,002	0.68
1976	5,390,768	1.43

*53 weeks.

+ Of continuing operations only.

‡ Including extraordinary credits of $1,070,000 ($0.20 per share) in 1976.

× Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1980	1979
Memory & computer prods.	$ 45,613,000	$ 51,080,000
Engineered materials	53,143,000	55,610,000
Total	$ 98,756,000	$ 106,690,000

Common Stock Equity

	Total Equity †	Equity Per Share ×
1980	$ 16,627,000	$3.08
1979	15,700,000	2.91
1978	14,121,000	2.61
1977	9,233,000	1.71
1976	5,574,000	1.03

† After allowing for preferred stock at liquidation value of $20 per share.

× Based on the weighted average number of shares outstanding.

Income Account *

Year ended	12/27/80	12/29/79
Net sales	$ 98,756,000	$ 106,690,000
Cost of sales	73,577,000	77,749,000
Expenses	20,353,000	19,392,000
Interest expense	470,000	3,073,000
Gain on invest.	—	(1,277,000)
Gain on repurch. of bonds	(770,000)	—
Income before taxes	$ 5,126,000	$ 7,753,000
Income taxes	2,130,000	3,507,000
Inc. from cont. oper.	$ 2,996,000	$ 4,426,000
Loss from discont. oper.	—	(1,641,000)
Net Income	$ 2,996,000	$ 2,605,000

*Included in Costs and Expenses, Depreciation and Amortization: $2,196,000 in 1980 and $2,250,000 in 1979.

Assets

As of	12/27/80	12/29/79
Cash	$ 4,839,000	$ 2,812,000
Note receiv.	—	14,910,000
Accts. receiv. net	19,272,000	19,861,000
*Inventories	25,130,000	19,454,000
Prepaid expenses	408,000	268,000
Deferred inc. taxes	4,500,000	3,839,000
Assets of discont. oper.	807,000	3,662,000
Current Assets	$ 54,956,000	$ 64,806,000
# Fixed assets	12,408,000	10,533,000
Other assets	558,000	524,000
Total Assets	$ 67,922,000	$ 75,863,000

Liabilities

Notes payable	$ 4,250,000	$ 11,000,000
Long-term debt, curr.	690,000	1,488,000
Accts. payable	5,609,000	4,734,000
Accruals	6,322,000	7,176,000
Income taxes	2,610,000	2,715,000
Curr. Liabilities	$ 19,481,000	$ 27,113,000
Subord. guar. conv. bonds	9,450,000	10,800,000
Deferred inc. taxes	1,301,000	1,187,000
+ Preferred stock	1,053,000	1,053,000
+ + Common stock	5,411,000	5,396,000
Add. paid-in capital	8,944,000	8,922,000
Retained earnings	22,282,000	21,392,000
Total Liabilities & Shareholders' Equity	$ 67,922,000	$ 75,863,000

*At lower of cost (FIFO; LIFO for cobalt inventories) or market.

Less accumulated depreciation.

+ $1 par value, cumulative.

+ + $1 par value.

Statistical Summary

%Net Income to Equity	7.95	7.09
Sales to Inventories	3.93	5.48
Working Capital	$ 35,475,000	$ 37,693,000
Current Ratio	2.82	2.39
Shareholders' Equity	$ 37,690,000	$ 36,763,000

Electronic Modules Corporation

P.O. Box 141
Timonium, Maryland 21093
(301) 666-3300

Officers: Donald W. Ordun, chairman of the board; Robert E. Vogel, president & treasurer; Joseph Ritter, vice president-manufacturing; John E. Armstrong, Jr., vice president-sales and secretary; David J. Houck, vice president-development; Ralph E. Bothne, v.p.; George M. Llewellyn, v.p.; Robert F. Armstrong, controller.

Directors: Donald W. Ordun, chairman; Joseph Ritter, Robert E.Vogel, John E. Armstrong, Jr., James M. Beggs, James P. McDonagh, Ralph E. Bothne, George M. Llewellyn, P. David Sowell.

Areas of Work: Manufactures data acquisition and control systems, particulaly environmental control systems for large buildings and building complexes and process monitoring conrol systems for the petroleum, chemical and synthetic fiber industries. Also manufactures solid state instrumentation devices. Produces solid state circuit modules, integrated circuit assemblies and thick film circuit assemblies.

Subsidiaries:

Estimation, Incorporated
805 Barkwood Court
Linthicum Heights, Maryland 21090
(301) 636-5680

Markets estimating hardware and supporting software to the commercial and industrial construction fields.

EMC Controls, Incorporated
P. O. Box 242
Cockeysville, Maryland 21030
(301) 667-4800

Provides computer based data acquisition and control systems to the process industry and for the discrete part manufacturing industries. The subsidiary offers it line of modular systems under the EMCON label. All EMCON systems are characterized by a separation of hardware and software functions, and all have the same basic architecture; a software supported mini-computer (with peripherals) connected by a single I/O interface to any number of EMC remote multiplexers serving sensors and controllers in an industrial plant.

Emax, Incorporated
P.O. Box 371
Timonium, Maryland 21093
(301) 628-6011

Develops new markets in the field of energy control and business automation by the application of advanced microprocessor technology. Manufactures solid state demand recorders and solid state cartridge readers enabling data to be transfered to a computer for storage and billing, for display on a CRT screen, or to a printer to produce a "hard copy" printout of the data for a permanent record.

Transfer Agent(s):

Mercantile-Safe Deposit and Trust Company
Baltimore, Maryland

Stock Exchange(s): Over-the-Counter

Ticker Symbol: EMOD (NASDAQ)

Number of Employees:

1980	467	1978	325
1979	450		

Plant Footage:

1980	114,550 sq. ft.	1979	110,000

Sales and Earnings

	Net Sales	Net Income #
1980	$ 22,320,429	$ 1,491,700
1979	14,455,987	1,079,744
1978	12,298,250	882,389
1977	8,689,956	471,804
1976	5,979,622	491,076

	No. of Com. Shares	Earn. per Share ‡‡#
1980	1,336,932	$1.12
1979	1,275,648	0.84
1978	1,244,872	0.75
1977	1,132,704	0.41
1976	1,161,804	0.42

‡‡ Based on average number of shares outstanding.
# Including extraordinary gan of $25,200 ($0.02 per share) in 1976.

Common Stock

	Cash Dividend	Stock Dividend	Stock *Split
1980	$ —	—	—
1979	—	—	—
1978	—	—	—
1977	0.10	—	—
1976	0.10	—	—

Commond Stock Equity

	Total Equity	Equity Per Share
1980	$ 8,307,712	$6.21
1979	6,795,105	5.33
1978	5,641,486	4.53
1977	4,283,317	3.78
1976	3,996,848	3.44

Income Account *

Year ended Sept. 20	1980	1979
Net sales	$ 22,320,429	$ 14,455,987
Cost of sales	12,606,325	7,949,578
Research and develop.	1,115,229	736,655
Expenses	5,619,607	3,789,725
Oper. income	$ 2,979,268	$ 1,980,029
Other income	(133,951)	(70,434)
Interest expense	262,630	57,745
Income before taxes	$ 2,850,589	$ 1,892,718
Income taxes	1,358,889	830,830
Minority interest	—	(17,856)
Net Income	$ 1,491,700	$ 1,079,744

*Included in Costs an Expenses, Depreciation and Amortization: $421,292 in 1980 and $215,474 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 399,194	$ 191,725
Accts. receiv., net	6,318,591	3,265,828
Refund inc. taxes	—	288,963
*Inventories	4,790,598	4,429,187
Prepaid expenses	256,104	100,857
Current Assets	$ 11,764,487	$ 8,276,560
Investments	298,762	349,733
Minority interest	—	7,857
# Fixed assets	1,715,414	1,341,258
Other assets	196,212	122,280
Intangibles	542,336	523,530
Total Assets	$ 14,517,211	$ 10,621,218

Liabilities

Notes payable	$ 1,950,000	$ 1,513,383
Accts. payable	1,514,985	1,146,115
Progress payments and advances	567,350	—
Accruals	522,950	353,147
Accrued payroll	411,557	193,973
Income taxes	364,215	—
Other taxes	—	118,022
Intangibles	122,374	174,558
Curr. Liabilities	$ 5,453,431	$ 3,499,198
Deferred inc. taxes	756,068	326,915
+ Common stock	128,646	128,272
Add. paid-in capital	3,051,555	3,008,693
Retained earnings	5,225,415	3,733,715
Treasury stock	—	(62,631)
Net unrealized loss	(97,904)	(12,944)
Total Liabilities & Shareholders' Equity	$ 14,517,211	$ 10,621,218

*At lower of cost (FIFO) or market.
Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.77	13.09
%Net Income to Sales	6.68	7.47
%Net Income to Equity	17.96	15.89
Sales to Inventories	4.66	3.26
Working Capital	$ 6,311,056	$ 4,777,362
Current Ratio	2.16	2.37
Shareholders' Equity	$ 8,307,712	$ 6,795,105

Electronics Corporation of America

One Memorial Drive
Cambridge, Massachusetts 02142
(617) 864-8000

Officers: Arthur G.B. Metcalf, chairman & president; Andre W. ter Meulen, J.N. Humphrey, Guy W. Bragdon, Jr., vice presidents; Phillip J. Cade, vice president and director of industrial engineering; John L. Bala, v.p.-engineering; E. Craig Thomson, vice president and chief engineer; Richard R. Glendon, vice president and treasurer; William Eisner, v.p. & asst. to the pres.; Stanley L. Davis, v.p.-photoswitch marketing; William B. Ford, controller & asst. treasurer; D.A. Dunderdale, clerk,

Directors: Arthur G.B. Metcalf, chairman; R.F. Glendon, Andre W. ter Meulen, John R. Silber.

Areas of Work: Develops and manufactures "Fireye" computerized combustion safeguard controls and burner management systems for utilities, industrial and commercial oil and gas burner installations, for power plant boilers and process burners. Develop and manufactures general purpose and special function photoelectric and electronic controls and systems, electronic timers, and electronic level controls used in automation of industrial processes and the industrials handling industry. Also markets a Universal Digital Management System for sequentially activating and controlling power switching devices.

Subsidiaries:

Electronics Corportation of America
(Canada), Ltd.
Toronto, Ontario, Canada

Electronic Corporation of America
(Great Britain) Limited
London, England

Electronic Corporation of America
(International)
San Juan, Puerto Rico

Divisions:

ECA European Division
Brussels, Belgium

Transfer Agent(s):

United States Trust Company of New York
New York, New York

Stock Exchange(s): American

Ticker Symbol: ECA

Sales and Earnings

	Net Sales	Net Income
1980	$ 42,844,190	$ 5,746,000
1979	36,622,413	4,444,302
1978	35,105,424	3,978,165
1977	33,060,019	2,675,160
1976	32,372,345	1,985,185

	No. of Com. Shares #	Earn. per Share #
1980	1,689,000	$3.40
1979	1,666,000	2.67
1978	1,657,000	2.40
1977	1,657,000	1.61
1976	1,657,000	1.20

# Based on the average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$1.05	33⅓%	—
1979	0.68	50%	—
1978	0.60	—	—
1977	0.60	—	—
1976	0.50	—	—

+ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 22,571,283	$13.36
1979	18,724,000	11.21
1978	15,303,000	9.23
1977	12,319,000	7.43
1976	10,638,000	6.43

† Adjusted to reflect stock dividends.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 42,844,190	$ 36,622,413
Cost of sales	25,180,188	22,429,353
Expenses	9,857,073	9,157,608
Interest and other expenses	1,717,121	1,818,555
Interest income	(1,029,082)	(674,405)
Income before taxes	$ 7,118,890	$ 3,891,302
Income taxes (credit)	1,372,890	(553,000)
Net Income	$ 5,746,000	$ 4,444,302

* Included in Costs and Expenses, Depreciation and Amortization: $1,404,530 in 1980 and $1,249,138 in 1979.

Assets

As of Dec. 31	1980	1979
Cash & govt. securities	$ 4,631,161	$ 10,625,757
Accts. receiv., net	9,506,321	7,612,836
Contracts	3,378,125	2,918,696
Refundable taxes	1,230,953	1,063,797
*Inventories	15,823,668	8,642,476
Prepaid expenses	536,102	739,315
Current Assets	$ 35,106,330	$ 31,602,877
#Fixed assets	10,349,049	8,537,101
Other assets & deferred charges	567,641	341,344
Intangibles	1	1
Total Assets	$ 46,023,021	$ 40,481,323

Liabilities

Long-term debt, curr.	$ 1,474,539	$ 1,268,339
Cap. lease oblig.	262,832	318,476
Accts. payable	3,480,304	1,876,411
Accruals	382,269	410,149
Accrued payroll	852,690	866,985
Income taxes	1,265,945	334,131
Dividend declared & payable	444,307	—
Curr. Liabilities	$ 8,162,886	$ 5,074,491
Long-term debt	12,078,207	13,552,746
Cap. lease oblig.	2,445,815	2,461,206
Deferred inc. taxes	764,830	669,241
+Common stock	1,742,796	1,720,298
Add. paid-in capital	4,900,262	4,740,653
Retained earnings	16,292,317	12,626,782
Treasury stock	(364,094)	(364,094)
Total Liabilities & Shareholders' Equity	$ 46,023,021	$ 40,481,323

* At standard costs which approximate actual cost on a FIFO basis and do not exceed market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	16.62	—
%Net Income to Sales	13.41	12.14
%Net Income to Equity	25.46	23.74
Sales to Inventories	2.71	4.24
Working Capital	$ 26,943,444	$ 26,528,386
Current Ratio	4.30	6.23
Shareholders' Equity	$ 22,571,283	$ 18,723,639

Electronics, Missiles & Communications, Inc.

Susquehanna Street Extension
P.O. Box 68
White Haven, Pennsylvania 18661
(717) 443-9575

Officers: Victor L. Grassini, v.p.-finance & int'l projects acting chief operating officer; Edward A. Kadler, v.p. & comptroller; James L. DeStefano, v.p.-applications engr.; James Fisher, v.p.-mfg.; Frank Decker, v.p.-engineering; H.P. Chalmers, treasurer; Martin D. Cohn, secretary; Kay Krull, asst. secretary.

Directors: Albert G. Babeaux, Shirley Chalmers, H.P. Chalmers, Virgil D. Angerman, Stanley Kutin.

Areas of Work: Manufactures UHF and VHF television transmitters and translators, 2500 MHz ITFS transmitters, repeaters, broadband converters, and other equipment for use in instructional television; Multi-point Distributions Service (MDS) 2150-2160 MHz transmitters and repeaters.

Subsidiaries:

Emcee International Sales, Inc.

Transfer Agent(s):

First National Bank of Minneapolis
120 South Sixth Street
P.O. Box A700
Minneapolis, Minnesota 55480

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ECIN

Number of Employees:

1981	95	1978	55
1980	76	1977	58
1979	75		

Plant Footage:

1981	27,000 sq. ft.	1978	27,000
1980	27,000	1977	27,000
1979	27,000		

Sales and Earnings

	Revenues	Net Income
1980	$ 4,198,239	$ 397,382
1979	3,096,901	230,423
1978	2,008,247	40,588
1977	1,871,471	(66,788)
1976	1,884,725	110,464

	No. of Com. Shares	Earn. per Share +
1980	2,760,512	$0.14
1979	2,760,512	0.08
1978	2,760,512	0.01
1977	2,760,512	—
1976	2,760,512	0.04

(Loss)
+ Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,699,047	$0.62
1979	1,301,665	0.47
1978	1,071,242	0.39
1977	1,030,654	0.37
1976	1,097,442	0.40

Income Account *

Year ended March 31	1980	1979
Revenues	$ 4,198,239	$ 3,096,901
Cost of sales	2,486,761	1,992,170
Expenses	920,427	680,683
Other charges	19,605	9,275
Research and development	37,064	39,900
Income before taxes	$ 734,382	$ 374,423
Income taxes	337,000	144,000
Net Income	$ 397,382	$ 230,423

* Included in Costs and Expenses, Depreciation: $61,839 in 1980 and $31,755 in 1979.

Assets

As of March 31	1980	1979
Cash	$ 195,451	$ 255,769
Accts. & notes, receiv. net	1,462,742	576,696
* Inventories	898,000	690,000
Prepaid expenses	27,706	24,765
Deferred inc. taxes	16,500	15,000
Current Assets	$ 2,600,399	$ 1,562,230
#Fixed ssets	667,044	576,728
Total Assets	$ 3,267,443	$ 2,138,968

Liabilities

Note payable	$ 200,000	$ —
Long-term debt, curr	17,238	14,679
Accts. payable	815,883	391,211
Accruals	127,386	101,034
Income taxes	211,000	143,000
Curr. Liabilities	$ 1,371,507	$ 649,924
Long-term debt	139,189	147,479
Deferred inc. taxes	57,700	39,900
+Common stock	46,587	46,587
Add. paid-in capital	862,111	862,111
Retained earnings	802,684	405,302
Treasury stock	(12,335)	(12,335)
Total Liabilities & Shareholders' Equity	$ 3,267,443	$ 2,138,968

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.01⅓ par value.

Statistical Summary

%Income bef. Taxes to Revenues	17.49	12.09
%Net Income to Revenues	9.47	7.44
%Net Income to Equity	23.39	17.70
Working Capital	$ 1,228,892	$ 912,306
Current Ratio	1.90	2.40
Shareholders' Equity	$ 1,699,047	$ 1,301,665

Electro-Nucleonics, Inc.

368 Passaic Avenue
Fairfield, New Jersey 07006
(201) 227-6700

Officers: Vincent V. Abajian, chairman of the board & president; Richard M. Mandle, sr. v.p.; Robert Fennel, Joseph J. Cardillo, William T. Hall, George von Klan, Alan M. Fishman, v.p.'s; Richard Abajian, secretary-treasurer; Thomas J. Dillon, controller.

Electro-Nucleonics, Inc.

Directors: Richard Abajian, Vincent V. Abajian, Carl Pacifico, Bernard M. Wagner, Richard Mandle, Harvey H. Segal, Nathan Stendig, George T. Maloney, Nolan B. Sommer.

Areas of Work: Engaged in the application of highspeed rotation and separations technology to the energy and health care fields. In the energy area the company is a prime contractor to the Department of Energy in the development of gas centrifuge technology applicable to the enrichment of uranium used by nuclear power plants. In the health care areas, it manufactures the GEMSAEC blood chemistry fast analyzer, the GEMENI miniature blood chemistry analyzer, research and production-scale liquid ultracentrifuges, diagnostic reagents and test kits; processes purified viruses, antigens and antibodies for research and conducts immunological testing through the VIRGO line of Immunofluorescent Antibody (IFA) tests, which consist of tests related to the body's immune response system and the RIAUSURE test for serum hepatitis.

Divisions and Subsidiaries:

Electro-Nucleonics Laboratories, Inc.
Bethesda, Maryland
Silver Spring, Maryland
Oak Ridge, Tennessee

Separation & Analytical Systems Division
Fairfield, New Jersey
Wayne, New Jersey
Silver Spring, Marylan
Irvine, California
Breda, The Netherlands
Stuttgart, West Germany

Transfer Agent(s):

Continental Stock Transfer & Trust Company
30 Montgomery Street
Jersey City, New Jersey 07302

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ENUC (NASDAQ)

Number of Employees:

1980	490	1977	400
1979	430	1976	350
1978	430		

Plant Footage:

1980	95,000 sq. ft.	1977	65,000
1979	75,000	1976	65,000
1978	75,000		

Sales and Earnings

	Net Sales	Net Income +
1980	$ 30,071,814	$ 1,427,707
1979	23,217,270	1,009,955
1978	21,016,332	246,509
1977	18,550,875	1,414,515
1976	14,471,930	38,973

	No. of Com. Shares	Earn. per Share + #
1980	2,976,543	$0.60
1979	2,376,043	0.43
1978	2,376,043	0.10
1977	2,376,043	0.60
1976	2,375,148	0.02

+ Including extraordinary gains of $161,000 ($0.07 per share) in 1980, $306,500 ($0.13 per share) in 1979, $111,000 ($0.05 per share) in 1978, $645,000 ($0.27 per share) in 1977 and $11,000 in 1976.

# Based on average number of shares outstanding during each period.

Revenues By Line of Business

	1980	1979
Reagents & disposable	$ 12,298,373	$ 8,769,490
Equipment & instruments	13,874,446	11,284,302
Other biomedical	1,918,950	1,902,901
Nuclear oper.	1,980,045	1,260,577
Total	$ 30,071,814	$ 23,217,270

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 5,825,102	$1.96
1979	4,395,395	1.85
1978	3,385,440	1.42
1977	3,138,931	1.32
1976	1,724,416	0.73

Income Account *

Year ended June 30	1980	1979
Net sales	$ 30,071,814	$ 23,217,270
Cost of sales	19,396,202	14,738,833
Expenses	8,102,807	6,884,807
Interest expense	905,659	785,051
Gain on foreign exchange	(98,477)	(101,897)
Gain on repurchase of debentures	(134,750)	(162,240)
Other income	(67,877)	(29,339)
Income before taxes	$ 1,968,250	$ 1,102,055
Income taxes	701,543	398,600
Net Income	$ 1,266,707	$ 703,455
Extraord. gain	161,000	306,500
Net Income & Extraord. gain	$ 1,427,707	$ 1,009,955

* Included in Costs and Expenses, Depreciation and Amortization: $648,274 in 1980 and $582,158 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 263,464	$ 274,920
Accts. receiv., net	6,973,002	5,455,755
*Inventories	6,270,878	5,374,207
Prepaid expenses & other assets	256,324	197,662
Current Assets	$ 13,763,668	$ 11,302,544
Investment securities	231,724	231,724
#Fixed assets	2,775,507	2,248,340
Other assets	266,548	279,126
Total Assets	$ 17,037,447	$ 14,061,734

Liabilities

Notes payable	$ —	$ 1,023,569
Long-term debt, curr	521,299	592,372
Accts. payable	1,720,164	1,271,967
Accruals	683,385	703,963
Inc. taxes pay.	300,907	20,697
Curr. Liabilities	$ 3,225,755	$ 3,612,568
Long-term debt	7,221,072	5,561,944
Deferred income	594,239	491,827
Def.inc. taxes	171,279	—
+ Common stock	74,414	74,401
Add. paid-in capital	8,671,987	8,670,000
Retained earnings (deficit)	(2,921,299)	(4,349,006)
Total Liabilities & Shareholders' Equity	$ 17,037,447	$ 14,061,734

* At lower of cost (FIFO) or net realizable value.
# Less accumulated depreciation and amortization.
+ $0.025 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.55	4.75
%Net Income to Sales	4.21	3.03
%Net Income to Equity	21.75	16.00
Sales to Inventories	4.80	4.32
Working Capital	$ 10,537,913	$ 7,689,976
Current Ratio	4.27	3.13
Shareholders' Equity	$ 5,825,102	$ 4,395,395

Electrospace Systems, Inc.

P.O. Box 1359
1601 N. Plano Rd.
Richardson, Texas 75080
(214) 231-9303

Officers: James R. Lightner, chairman of the board, president & treasurer; Robert L. Carrel, exec. v.p. & secretary; Milton W. Holcombe, Richard C. Fenwick, v.p.'s; Donald E. Heitzman, vice president-marketing; Belton H. Gardner, asst. v.p.-marketing; Patrick G. Mackey, corporate controller.

Directors: James R. Lightner, chairman; Robert L. Carrel, Milton W. Holcombe, Richard C. Fenwick, John Adel, William H. Bowen.

Areas of Work: Communication and navigation system analysis, integration and testing, antenna research and development, mechanical/structural engineering analysis, electronic warfare systems and solid state switching, servo control systems and telephone central office switches.

Subsidiaries:

Telephone Industries, Inc.
P.O. Box 481
Ballinger, Texas 76821
(915) 365-2555

Transfer Agent(s):

National Bank of Commerce
Dallas, Texas

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ELEC (NASDAQ)

Number of Employees:

1981	910	1978	435
1980	949	1977	355
1979	575		

Plant Footage:

1981	227,800 sq. ft.	1978	96,000
1980	172,400	1977	78,000
1979	170,000		

Sales and Earnings

	Revenues	Net Income
1981	$ 45,578,419	$ 2,799,731
1980	33,561,277	2,083,818
1979	21,269,880	1,625,912
1978	14,535,458	869,411
1977	11,274,731	574,541

	No. of Com. Shares †	Earn. per Share ‡
1981	2,628,773	$1.06
1980	2,181,328	0.95
1979	1,806,438	0.74

† Adjusted to reflect stock dividends.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$0.12	20%	—
1980	0.12	20%	—
1979	0.12	50%	—

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 8,921,948	$3.39
1980	6,353,181	2.90
1979	4,463,660	2.46

‡ Adjusted to reflect stock dividends.

Income Account *

Year ended	3/28/81	3/28/80
Revenues	$ 45,578,419	$ 33,561,277
Cost of revenues	39,929,274	29,696,288
Expenses	498,933	213,665
Interest expense	319,200	326,038
Oper. Profit	$ 4,831,012	$ 3,325,286
Other income	145,984	190,868
Income before taxes	$ 4,976,996	$ 3,516,154
Income taxes	2,177,265	1,432,336
Net Income	$ 2,799,731	$ 2,083,818

* Included in Costs and Expenses, Depreciation and Amortization: $568,033 in 1981 and $435,859 in 1980.

Assets

As of	3/28/81	3/28/80
Cash	$ 2,599,489	$ 1,147,998
Accts. receiv., net	6,862,575	4,957,189
Income tax received	—	377,071
Costs on contracts in exc. of billing	4,289,281	5,094,000
* Inventories	2,760,889	1,263,198
Prepaid expenses	34,514	47,947
Current Assets	$ 16,546,748	$ 12,510,332
# Fixed assets	3,762,911	3,687,464
Other assets	188,035	153,844
Total Assets	$ 20,497,694	$ 16,351,640

Liabilities

	3/28/81	3/28/80
Long-term debt, curr.	$ 324,347	$ 467,807
Accts. payable	2,448,418	2,861,992
Accruals	1,191,541	910,862
Income taxes	4,350,459	1,699,432
Curr. Liabilities	$ 8,314,765	$ 5,940,093
Notes payable	309,811	603,499
Mortgage payable	1,870,234	1,896,140
Inc. taxes	1,080,936	1,558,727
+ Common stock	316,779	263,159
Add. paid-in capital	410,149	352,874
Retained earnings	8,617,935	6,161,079
Treasury stock	(422,915)	(423,931)
Total Liabilities & Shareholders' Equity	$ 20,497,694	$ 16,351,640

* Raw materials and purchased parts at cost not in excess of market.

# Less accumulated depreciation.

+ $0.10 par value.

Statistical Summary

	3/28/81	3/28/80
%Income bef. Taxes to Revenues	10.92	10.48
%Net Income to Revenues	6.14	6.21
%Net Income to Equity	31.38	32.80
Working Capital	$ 8,231,983	$ 6,570,239
Current Ratio	1.99	2.11
Shareholders' Equity	$ 8,921,948	$ 6,353,181

Eli Lilly and Company

307 East McCarty Street
Indianapolis, Indiana 46225
(317) 261-2000

Officers: Richard D. Wood, chairman of the board, president & chief executive officer; Thomas H. Lake, vice chairman; A. Malcolm McVie, Cornelius W. Pettinga, exec. v.p.'s; Edwin F. Adler v.p.-Lilly Research Laboratories; C. Harvey Bradley, Jr., secretary & general counsel; Raymond F. Crandall, group v.p.-biochemical operations; J. Richard Zapapas, group v.p.; Eugene F. Ratliff, v.p.-finance; Eugene L. Step, president-pharmaceutical division.

Directors: Richard D. Wood, chairman of the board; Thomas H. Lake, Edwin F. Alder, C. Harvey Bradley, Jr., Raymond E. Crandall, Earl B. Herr. Jr., A. Malcolm McVie, Mel Perelman, Cornelius W. Pettinga, Eugene F. Ratliff, Charles A. Sanders, Robert C. Seamans, Jr., Eugene L. Step, J. Richard Zapapas, Alva O. Way, J. Stanford Smith, J. Paul Lyst.

Areas of Work: Engaged in the discovery, development, manufacture and sale of products in three principal industries: human health, agriculture and cosmetics. the human health segment includes pharmaceuticals, electronic medical instrument systems, implantable cardiac pacemakers, empty gelatin capsules, packaging products, and bulk chemicals. Pharmaceuticals include analgesics, an antiarthritic agent, antibio tics, antidiabetic agents, hematinics, hormones, oncolytic agents, sedatives, vitamins, and other pharmaceuticals for human use. Electronic medical instrument systems include products for measuring patient temperatures and for administering and monitoring intravenous fluid infusions. The agriculture segment includes agricultural chemicals and animal health products. Agricultural chemicals are principally herbicides for controlling weeds in various crops. Animal health products include a nonhormonal cattle feed additive that improves feed efficiency, various antibiotics for promoting feed efficiency and growth in swine, and anti-coccidial agent for use in broilers and layer replacements, and other products for livestock, poultry, and pet animals. The cosmetics segment includes the Elizabeth Arden Line and Parfums Lager products. The Elizabeth Arden Line includes skincare preparations, make-up products, and fragrances. Parfums Lagerfeld products are marketed under the trademarks Chloe and Lagerfeld and include fragrance products.

Electronics Operations:

IVAC Corporation
Campus Point, California
(714) 453-4320

Worldwide manufacturing and marketing of electronic medical instrument system.

Caridac Pacemakers, Inc.
St. Paul, Minnesota

Engaged in the business of designing, developing, manufacturing, and marketing implantable cardiac pacemakers powered by lithium batteries.

Acquisition(s):

Physio-Control Corporation
11811 Willows Road
Redmond, Washington 98052
(206) 883-1181

Manufactures and distributes electronic products used in cardiovascular medicine, including defibrillators/monitors, peritoneal dialysis equipment, blood pressure monitoring devices, ultrasonic Doppler probes, in-vivo oximeters, and vascular implant products.

Transfer Agent(s):

Chemical Bank
New York, New York

Merchants National Bank &
Trust Company of Indianapolis
Indianapolis, Indiana

Continental Illinois National Bank
& Trust Company of Chicago
Chicago, Illinois

Stock Exchange(s): New York

Ticker Symbol: LLY

Number of Employees:

1980	28,100	1977	24,400
1979	27,300	1976	23,600
1978	25,400		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 2,558,600	$ 342,000
1979	2,250,800	333,700
1978	1,882,600	280,300
1977	1,550,200	223,500
1976	1,360,800	202,700

	No. of Com. Shares ‡	Earn. per Share ‡
1980	75,645,000	$4.52
1979	75,298,000	4.43
1978	75,286,000	3.72
1977	72,854,000	3.07
1976	70,535,000	2.87

‡ Based on average number of common shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Human Health	$ 1,426,000	$ 1,228,500
Agriculture	871,700	795,900
Cosmetics	260,900	226,400
Total	$ 2,558,600	$ 2,250,800

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.20	—	—
1979	1.95	—	—
1978	1.65	—	—
1977	1.42	—	—
1976	1.25	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share ‡
1980	$ 1,736,700	$22.96
1979	1,586,200	21.07
1978	1,395,200	18.53
1977	1,224,000	16.80
1976	1,088,200	15.43

‡ Based on average number of common shares outstanding.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 2,558,637	$ 2,250,824
Cost of sales	1,023,515	873,184
Expenses	969,815	836,109
Interest income	(39,560)	(34,742)
Interest expense	18,442	11,474
For. exch. loss	14,008	19,728
Other income	(17,924)	(14,108)
Income before taxes	$ 590,341	$ 559,179
Income taxes	248,367	225,503
Net Income	$ 341,974	$ 333,676

* Included in Costs and Expenses, Depreciation and Amortization: $56,709,000 in 1980 and $49,160,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 31,771	$ 28,634
Securities & deposits	170,574	147,005
Accts. receiv.	544,658	432,289
Other receiv.	46,126	37,179
* Inventories	672,526	612,631
Prepaid exp.	71,999	59,295
Current Assets	$ 1,537,654	$ 1,317,033
Investments	98,500	126,738
# Fixed assets	849,034	679,742
Other assets	122,264	82,665
Total Assets	$ 2,607,452	$ 2,206,178

Liabilities
(000's)

Loans payable	$ 184,690	$ 100,347
Accts. payable	109,462	104,804
Accrued payroll	105,104	116,036
Dividends payable	43,595	—
Other liabilities	199,688	145,770
Income taxes	94,642	66,490
Curr. Liabilities	$ 737,181	$ 533,447
Long-term debt	32,862	8,211
Deferred inc. taxes	100,716	78,358
+ Common stock	47,363	47,342
Add paid-in capital	110,707	99,133
Retained earnings	1,578,661	1,445,522
Treasury stock	(38)	(5.835)
Total Liabilities & Shareholders' Equity	$ 2,607,452	$ 2,206,178

* At lower of cost (LIFO and FIFO) or market.
# Less accumulated depreciation.
+ $0.625 par value.

Statistical Summary

%Income bef. Taxes to Sales	23.07	24.84
%Net Income to Sales	13.37	14.82
%Net Income to Equity	19.69	21.04
Sales to Inventories	3.80	3.67
Working Capital	$ 800,473,000	$ 783,586,000
Current Ratio	2.09	2.47
Shareholders' Equity	$1,736,693,000	$1,586,162,000

Emerson Electric Co.

8000 West Florissant Avenue
St. Louis, Missouri 63136
(314) 553-2000

Officers: C.F. Knight, chairman & chief exec. officer; L.L. Browning, Jr., exec. v.p. & chief admin. officer; E.L. Keyes, Jr., president & chief operating officer; W.A. Rutledge, vice chairman; J.J. Adorjan, sr. v.p.-corp. development; R.W. Staley, sr. v.p.-finance & chief financial officer; C. Hansen, sr. v.p.-law; C.O. Planting, exec. v.p.-corporate sales; J.W. Burge, Jr., W.H. Davis, H.F. Faught, R.E. Browing, W.J. Bennetsen, C.L. Mikovich, C.A. Dill, J.F. Hardymon, D.L. Seals, J.K. Ver Hagen, group v.p.'s; E.L. Clary, group v.p.-corp. services; J.C. Wilson, v.p.-finance & comptroller; H.W. Kooyman, v.p.-corpoate manufacturing; J.C. Rohrbaugh, v.p.-industrial relations; A.A. Gilbert, v.p.-manpower development; C.W. Groennert, v.p. & treasurer; A.E. Suter, v.p.-international; W.C. Nusbaum, v.p.-development; R.H. McRoberts, secretary & general counsel; E.L. Harper, v.p.-int'l.; R.A. Cocks, J.D. Henry, asst. treasurers.

Directors: W.R. Persons*, R.H McRoberts*, J.A. Frates*, B.A. Schriever, L.L. Browning, Jr.*, R.D. Potts, Gene K. Beare, Charles F. Knight*, Eugene F. Williams, Jr., G.A. Lodge; L.J. Conti, E.L. Keyes, Jr.*, W.A. Rutledge*, R.W. Staley*, V.R. Loucks, Jr., J.W. Sullivan.

*Member of Executive Committee.

Areas of Work:

Government & Defense Group

Airborne fire control radar systems, airborne radio navigation systems, ammunition storage and feed systems, anechoic chambers, anti-submarine warfare detection & recording systems, automatic test equipment, electronically scanned antennas, magnetic tape recorders, intrusion detection systems, metallic and non-metallic detectors, guidance & control systems, low noise antenna feeds, naval surface armament systems, power spplies, research & dev., rocket systems, rocket & missile launching systems, satellite communications & telemetry validation systems & tactical navigation systems & missile antenna development.

Consumer Group

Arc welders, band saws, ceiling systems, console humidifiers, door chimes, drain cleaning equipment, drill presses, electric baseboard heat, electric heating and cooling systems, electrostatic air cleaners, gas cutting & welding equipment, hand tools, hot water dispensers, intercom systems, ladders & scaffolding, lathes, planers and shapers, plastic pipe welders, point source illumination, power chain saws, power plumbing tools, security systems, lighting interconnect systems. Monofilament line lawn trimmer, pipe working tools, smoke detectors, ventilation and exhaust systems, waste disposers, hobbyist tools, water fountain valves, woodworking bench and radial saws.

Commercial & Industrial Components and Systems Group

Air conditioning and refrigeration compressor motors, dryers, expansion valves, fan motors, solenoid control valves, appliance electric heating elements and controls, appliance motors, automation systems, belt and chain components & drives, bimetallic control devices, cams and index equipment, controlled speed drives, eddy current controls and drives, electronic variable speed drives, conveyor components, eddy current controls and drives, electronic power supplies, fluid flow instrumentation, fluid heat transfer systems, gears, gear motors, heating blower motors and controls, industrial electric heating elements, industrial electric heating products, irrigation flowmeter/control systems, liquid level measurement instrumentation, machine tool drives and controls, magnetic flowmeters, mechanical couplings, metal stampings, positive displacement meters, process control instrumentation, sealed terminals, special application motors, speed reducers, thermal limit devices, turbine meters, ultrasonic meters, uninterruptible power systems, vertical pump motors and drives, aviation instrumentation, & utilities equipment and tools.

Divisions and Subsidiaries:

Alco Controls Division
P.O. Box 12700
St. Louis, Missouri 63141
(314) 432-6300

Beaird-Pouland Division
5020 Flournoy Lucas Road
Shreveport, Louisiana 71102
(318) 687-0100

Brooks Instrument Division
407 W. Vine Street
Hatfield, Pennsylvania 19440
(215) 368-2000

Browning Mfg. Division
1248 E. Second Street
P.O. Box 687
Maysville, Kentucky 41506
(606) 564-5541

Commercial Cam Division
400 N. Ashland
Chicago, Illinois 60622
(312) 243-6900

Day-Brite Lighting Division
1015 S. Green Street
Drawer 1687
Tupelo, Mississippi 38801

Fusite Division
6000 Fernview Avenue
Cincinnati, Ohio 45212
(513) 731-2020

Louisville Ladder Division
1161 Algonquin Parkway
Louisville, Kentucky 40208
(501) 636-2811

Ridge Tool Division
400 Clark Street
Elyria, Ohio 44035
(216) 323-5581

Special Products Division
5657 Campus Parkway
Hazelwood, Missouri 90051

Thermo-O Disc
1320 S. Main Street
Mansfield, Ohio 44907
(419) 756-5911

U.S. Electrical Motors Division
Old Gate Lane
Milford, Connecticut 06460
(203) 878-9311

WER Industrial Division
3036 Alt Boulevard
Grand Island, New York 14072
(716) 773-2321

White-Rodgers Division
9797 Reavis Road
St. Louis, Missouri 62123
(314) 631-9797

Edwin L. Wiegand Division
7500 Thomas Boulevard
Pittsburgh, Pennsylvania 15208
(412) 242-6400

Dremel Manufacturing Division
4915 Twenty-First Street
Racine, Wisconsin 53406
(414) 637-8831

Electronics & Space Division
8100 W. Florissant Avenue
St. Louis, Missouri 63136
(314) 553-2000

Emerson Motor Division
8100 W. Florissant Avenue
St. Louis, Missouri 63136
(314) 553-2000

Emerson Puerto Rico, Inc
Dorado Industrial Park
Highway 693, KM 7.3, P.O. Box 437
Dorado, Puerto Rico 00646
(809) 796-1195

Emerson Electric GmbH
Division Gustav Benz
D 7050 Waiblingen
Heerstrasse 111
Postfact 1229 West Germany

Emerson Electric Canada Limited
P.O. Box 150, Highway 48
Markham, Ontario, Canada
(416) 297-1030

ACDC Electronics Division
401 Jones Road
Oceanside, California 92054

Doric Scientific Division
3883 Ruffin Road
San Diego, California 92123

Emerson Electric Industrial Controls Division
P.O. Box 1679
Santa Ana, California 92702

Harris-Calorific Division
5501 Cass Avenue
Cleveland, Ohio 44102

A.B. Chance Company
210 North Allen Street
Centralia, Missouri 65240

Emerson Chromalox Division
8400 Pershall Road
St. Louis, Missouri 63136

In-Sink-Erator Division
4700 Twenty-First Street
Racine, Wisconsin 53406

Weed Eater Inc.
10515 Harwin Drive
Houston, Texas 77036

Statitrol Inc.
140 S. Union Boulevard
Lakewood, Colorado 80228

Rittenhouse Division
Rosemount Division
McPhilben Lighting Division
Urick Foundry Division
Tuttle Electric Division

Acquisition(s):

Skil Corporation (March 1979)
Chicago, Illinois
Manufactures portable electric power tools.

SWECO, Inc.
Los Angeles, California

Transfer Agent(s):

St. Louis Union Trust Company
(Common & Preferred Shares)
510 Locust Street
St. Louis, Missouri 63101

Marine Midland Bank - New York
(Common & Preferred Shares)
Two Broadway
New York, New York 10004

Stock Exchange(s): New York, Midwest.

Ticker Symbol: EMR

Number of Employees:

1980	53,800	1977	46,100
1979	52,200	1976	41,800
1978	49,600		

Sales and Earnings

	Net Sales † (000's)	Net Income † (000's)
1980	$ 3,066,841	$ 237,723
1979	2,723,989	208,975
1977	2,316,921	180,656
1977	1,950,818	154,338
1976	1,629,003	125,074

	No. of Com. Shares ‡ †	Earn. per Share ‡ †
1980	63,911,000	$3.72
1979	63,361,000	3.30
1978	62,819,000	2.88
1977	62,740,000	2.46
1976	62,688,000	2.00

† Restated to include operations of companies acquired on a pooling of interest basis.
‡ Based on the weighted average number of common shares and common share eqivalents outstanding.

Revenues By Line of Business
(000's)

	1980 †	1979 †
Commercial & industrial	$ 1,799,000	$ 1,680,000
Consumer	1,057,000	865,000
Government & defense	239,000	199,000
Intersegment sales	(28,000)	(20,000)
Total	$ 3,067,000	$ 2,724,000

† Restated to include operations of companies acquired on a pooling of interests basis.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.60	—	—
1979	1.44	—	—
1978	1.20	—	—
1977	1.00	—	—
1976	0.79	—	—

Common Stock Equity

	Total Equity † (000's)	Equity Per Share †
1980	$ 1,229,768	$19.30
1979	1,090,001	17.12
1978	934,866	14.93
1977	824,458	13.18
1976	730,569	11.69

† Restated to include operations of companies acquired on a pooling of interests basis.

Income Account *
(000's)

Year ended Sept. 30	1980	1979 †
Net sales	$ 3,066,841	$ 2,723,989
Cost of sales	2,403,607	1,809,555
Expenses	570,368	499,234
Interest expense	29,032	25,829
Other charges (income)	(5,789)	3,562
Income before taxes	$ 429,623	$ 385,809
Income taxes	191,900	176,834
Net Income	$ 237,723	$ 208,975

* Included in Costs and Expenses, Depreciation and Amortization: $81,697,000 in 1980 and $70,840,000 in 1979.
† Restated to include operations of companies acquired on a pooling of interests basis.

Assets
(000's)

As of Sept. 30	1980	1979 †
Cash	$ 11,521	$ 5,185
Marketable securities	36,891	28,604
Accts. receiv., net	488,942	464,736
Long-term conracts	3,940	3,827
*Inventories	776,756	720,075
Other curr. assets	51,624	43,439
Curent Assets	$ 1,369,674	$ 1,265,866
#Fixed assets	495,837	457,160
Other assets	63,906	67,446
Total Assets	$ 1,929,417	$ 1,790,472

Liabilities
(000's)

Long-term debt, curr	$ 62,812	$ 72,632
Acct. payable	174,688	156,679
Accruals	188,945	167,443
Income taxes	62,509	60,109
Adv. pay. on contracts	31,066	47,254
Curr. Liabilities	$ 520,020	$ 504,117
Long-term debt	179,629	196,354
+ Common stock	63,945	63,894
Add. paid-in capital	65,907	64,844
Retained earnings	1,106,564	968,116
Treasury stock	(6,648)	(6,853)
Total Liabilities & Shareholders' Equity	$ 1,929,417	$ 1,790,472

† Restated to include operations of companies acquired on a pooling of interests basis.
* At lower of cost or market majority at standard costs; remainder at FIFO.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	14.01	14.16
%Net Income to Sales	7.75	7.67
%Net Income to Equity	19.33	19.17
Sales to Inentories	3.95	3.78
Working Capital	$849,654,000	$761,749,000
Current Ratio	2.63	2.51
Shareholders' Equity	$1,229,768,000	$1,090,001,000

Energy Conversion Devices, Inc.

1675 West Maple Road
Troy, Michigan 48084
(313) 280-1900

Officers: Ralph F. Leach, chairman of the board; Stanford R. Ovshinsky, president, chief exec. & chief operating officer; Nancy M. Bacon, v.p.-finance & treasurer; Iris M. Ovshinsky, Hellmut Fritzsche, v.p.'s; Momoko Izu, v.p.-int'l business relations; Morton Levine, secretary.

Directors: Hellmut Fritzsche, Morton Levine, Iris M. Ovshinsky, Stanford R. Ovshinsky, Erich W. Augustin, Laurence D. Chapin, Donald C. Webster, Henry L. Woolfenden, Ralph F. Leach, Stanley Stynes, Nancy M. Bacon, Momoko Izu, Robert F. Wilson, Robert R. Johnson.

Areas of Work: Develops microfilm and document copying systems, and such products as Ovonic Mass Memory, Ovonic Imaging, and Ovonic Threshold Switch for governmental and industrial markets as well as energy conversion systems.

Divisions:

Imaging Division
Material Research Division

Subsidiaries:

Ovonics, Inc.
1675 West Maple Road
Troy, Michigan 48084
(313) 280-1900
A real estate holding company.

Transfer Agent(s):

National Bank of Detroit
Stock Transfer Department
611 Woodward Avenue
Detroit, Michigan 48226

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ENER (NASDAQ)

Number of Employees:

1980	176	1977	74
1979	92	1976	33
1978	84		

Plant Footage:

1980	56,600 sq. ft.	1977	21,300
1979	21,300	1976	21,300
1978	21,300		

Sales and Earnings

	Net Revenues	Net Income †
1980	$ 5,153,518	$ (1,645,597)
1979	1,595,206	(3,394,035)
1978	457,343	(3,537,976)
1977	610,216	(2,708,746)
1976	640,650	(1,128,398)

	No of Com. Shares #	Earn. per Share
1980	2,661,450	—
1979	2,554,955	—
1978	2,115,855	—
1977	1,957,081	—
1976	1,930,100	—

(Loss,
† Including extraordinary loss of $231,322 in 1979.
# Based on monthly average number of Class A common and common shares combined.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 1,363,329	$0.51
1979	2,408,606	0.94
1978	(1,091,968)	—
1977	(977,792)	—
1976	(852,311)	—

(Deficiency)
‡ Based on monthly average number of Class A common and common shares combined.

Energy Conversion Devices, Inc.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 3,448,807	$ 381,075
License revenues	1,075,000	1,000,000
Other income	629,711	214,131
Total income	$ 5,153,518	$ 1,595,206
Cost of sales	2,661,533	338,157
Expenses	1,723,066	1,391,657
Depreciation	494,386	231,414
Product develop. exp.	1,569,450	2,434,410
Patent expenses	327,494	278,435
Interest expense	23,186	82,846
Net loss	$ (1,645,597)	$ (3,162,713)
Extraord. loss	—	(231,322)
Net Loss & Extraord. loss	$ (1,645,597)	$ (3,394,035)

Assets

As of June 30	1980	1979
Cash	$ 6,568,446	$ 2,042,590
Accts. receiv., net	229,304	253,990
Amts. due	6,400,000	1,750,000
Prepaid expenses & other assets	203,948	142,795
Current Assets	$ 13,401,916	$ 4,194,375
# Fixed assets	3,651,655	1,577,888
Other assets	10,079,009	665,926
Total Assets	$ 27,132,580	$ 6,438,189

Liabilities

	1980	1979
Long-term debt, curr.	$ 73,029	$ 24,751
Accts. payable	1,121,114	578,949
Accrued payroll	104,875	50,705
Misc. taxes	69,859	57,678
Deferred contract revs.	9,964,481	1,801,319
Curr. Liabilities	$ 11,333,358	$ 2,513,402
Mortg. notes	420,231	123,320
Insurance loans	183,936	142,861
Advance against future sales	—	850,000
Deferred contract revs.	13,831,726	400,000
+ Common stock, Class A	2,199	2,219
+ Common stock	24,415	23,967
Add. paid-in capital	31,822,639	31,222,747
Retained earnings (deficit)	(30,485,924)	(28,840,327)
Total Liabilities & Shareholders' Equity	$ 27,132,580	$ 6,438,189

# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

	1980	1979
Working Capital	$ 2,068,558	$ 1,680,973
Current Ratio	1.18	1.67
Shareholders' Equity	$ 1,363,329	$ 2,408,606

Entron, Inc.

70-31 84th Street
Glendale, New York 11385
(212) 894-8100

Officers: Forrester A. Clark, chairman of the board; Joseph Ross, president & chief exec. officer; A. Alan Reich, vice president-contracts; Doris Beal, v.p.-mfg.; Raymond H. Gaughran, treasurer; Sidney Winter, George Ivanovs, asst. secretaries.

Directors: Forrester A. Clark*, George M. Ferris, Jr., John E. Lawrence*, Joseph Ross*.

*Member of Executive Committee.

Areas of Work: Engaged in the manufacture and sale of airborne-missile launchers, telecommunications instruments and other military equipment. Also manufactures multi-taps and other transmission equipment for the cable-television industry.

Transfer Agent(s):

The Trust Company of New Jersey
Jersey City, New Jersey

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income #
1980	$ 2,239,866	$ 127,958
1979	3,027,874	334,233
1978	5,626,039	1,009,785
1977	4,737,198	799,180
1976	3,253,252	380,591

	No. of Com. Shares ‡	Earn. per Share #‡
1980	2,730	$46.87
1979	4,857	68.81
1978	7,052	143.19
1977	9,041	88.40
1976	9,395	40.51

# Including extraordinary gains of $100,000 ($20.59 per share) in 1979, $414,000 ($58.71 per share) in 1978, $296,000 ($32.74 per share) in 1977 and $132,000 ($14.05 per share) in 1976.
‡ Based on average number of shares outstanding adjusted to reflect reverse stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	—
1978	—	—	1-for-10

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 2,702,580	$989.96
1979	2,574,622	530.08
1978	3,954,997	560.83
1977	4,140,019	457.92
1976	4,168,135	443.65

‡ Based on average number of shares outstanding adjusted to reflect reverse stock split.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 2,239,866	$ 3,027,874
Other income	350,832	451,023
Total income	$ 2,590,698	$ 3,478,897
Cost of sales	1,708,827	2,365,416
Expenses	645,912	670,925
Interest expense	38,008	12,108
Loss on equity securities	69,993	89,215
Income before taxes	127,958	341,233
Income taxes	—	107,000
Net Income	$ 127,958	$ 234,233
Extraord. gain	—	100,000
Net Income & extraord. gain	$ 127,958	$ 334,233

*Included in Costs and Expenses, Depreciation and Amortization: $107,935 in 1980 and $54,747 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 548,520	$ 1,558,218
Cert. of deposit	300,000	—
Marketable securities	1,226,755	1,395,265
Accts. & notes receiv., net	180,335	237,464
Unbilled receiv.	—	129,383
*Inventories	392,029	404,749
Other assets	107,342	109,711
Current Assets	$ 2,754,981	$ 3,834,790
Note receiv.	473,412	486,723
Investments	478,412	522,863
# Fixed assets	855,895	835,977
Other assets	213,358	175,632
Total Assets	$ 4,776,058	$ 5,855,985

Liabilities

	1980	1979
Notes payable	$ —	$ 100,000
Long-term debt, curr.	47,892	38,575
Accts. payable	114,636	136,358
Progress pay. in exc. of billing	953,088	941,348
Accruals	115,936	72,856
Accrued payroll	38,920	36,926
Taxes payable	8,098	2,828
Amts. due on tender	—	1,080,100
Income taxes payable	—	—
Other liabilities	129,770	138,706
Curr. Liabilities	$ 1,408,340	$ 2,547,897
Long-term debt	393,262	416,277
Gain on sale	271,876	317,189
+ Common stock	81,900	81,900
Add. paid-in capital	1,949,634	1,949,634
Retained earnings	671,046	543,088
Total Liabilities & Shareholders' Equity	$ 4,776,058	$ 5,855,985

*At lower of cost (FIFO or actual) or market (realizable value).
# Less accumulated depreciation and amortization.
+ $30.00 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	—	11.27
%Net Income to Sales	5.71	7.74
%Net Income to Equity	4.73	9.10
Sales to Inventories	5.71	7.48
Working Capital	$ 1,346,641	$ 1,286,893
Current Ratio	1.96	1.51
Shareholders' Equity	$ 2,702,580	$ 2,574,622

Epsco, Incorporated

411 Providence Highway
Westwood, Massachusetts 02090
(617) 329-1500

Officers: Wayne P. Coffin, president & chief executive officer; Edward Barton, v.p.-programs & contracts; J.D.W. Woolcott, v.p.-marine div., Victor F. Camilleri, v.p.-mfg.; Kevin P. Sheehan, v.p.-finance & treasurer; Thomas J. Dunn, v.p.-engineering; Sidney Werlin, clerk & secretary.

Directors: Robert Raymond, chairman; Wayne P. Coffin, Walter W. Curcio, John D.W. Woolcott, Kenneth F. Dietz, Sidney Werlin, James H. Purneaux, Andrew S. Kariotis.

Areas of Work: Designs, manufactures and distributes marine navigation and electronic systems for both commercial and military applications. Military subsystems work includes special purpose analog-to-digital and synchro converters and complex computer interface equipment, radar altimeters, aircraft navigation systems, RF and other microwave test instruments and equipment. Commercial marine navigation includes aline of small boat radars. Loran-C and Position Plotters, Omega, depth sounders, radio direction finders and a complete line of simulators used for test and repair.

Transfer Agent(s):

First National Bank of Boston
Boston, Massachusetts 02109

Stock Exchange(s): Over-the-Counter

Ticker Symbol: EPSC (NASDAQ)

Number of Employees:

1980	240	1977	150
1979	235	1976	130

Plant Footage:

1980	60,000 sq. ft.	1977	55,000
1979	60,000	1976	55,000

Sales and Earnings

	Net Sales	Net Income‡
1980	$ 16,018,338	$ 935,731
1979	13,284,664	1,241,968
1978	9,028,001	604,889
1977	5,355,740	310,805
1976	4,365,716	185,556

	No. of Com. Shares	Earn. per Share‡#
1980	1,267,772	$0.96
1979	906,822	1.35
1978	887,102	0.67
1977	867,352	0.36
1976	867,352	0.21

‡ Including extraordinary credits of $131,500 ($0.15 per share) in 1978, $131,400 ($0.15 per share) in 1977 and $67,600 ($0.08 per share) in 1976.
# Based on average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 10,279,840	$8.11
1979	4,231,126	4.67
1978	2,959,050	3.34
1977	2,320,989	2.68
1976	2,010,184	2.32

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 16,018,338	$ 13,284,664
Cost of sales	9,219,799	8,078,130
Expenses	4,669,721	3,428,651
Oper. Profit	$ 2,128,818	$ 1,777,883
Other income	—	540,000
Total	$ 2,128,818	$ 2,415,725
Interest expense	396,094	168,043
Other charges	71,993	25,072
Income before taxes	$ 1,660,731	$ 2,124,768
Income taxes	725,000	882,800
Net Income	$ 935,731	$ 1,241,968

* Included in Costs and Expenses, Depreciation and Amortization: $134,816 in 1980 and $116,608 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 459,773	$ 61,124
Short-term invest	1,715,651	—
Accts. & notes receiv., nt	3,313,129	2,399,325
Long-term contracts	1,407,368	569,502
*Inventories	6,961,233	4,330,969
Prepaid expenses	109,285	85,965
Current Assets	$ 13,966,439	$ 7,446,975
#Fixed assets	572,827	512,861
Intangibles	1	1
Total Assets	$ 14,539,267	$ 7,959,837

Liabilities

Note payable	$ —	$ 1,088,329
Accts. payable	1,532,301	1,382,277
Accruals	396,971	521,353
Inc. taxes	314,955	358,752
Deferred inc. taxes	275,000	—
Curr. Liabilities	$ 2,519,427	$ 3,350,711
Long-term debt.	1,500,000	—
Deferred income taxes	240,000	378,000
+ Common stock	10,698,946	5,585,963
Deficit	(374,906)	(1,310,637)
Treasury stock	(44,200)	(44,200)
Total Liabilities & Shareholders' Equity	$ 14,539,267	$ 7,959,837

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	10.37	15.99
%Net Income to Sales	5.84	9.35
%Net Income to Equity	9.10	29.35
Sales to Inventories	2.30	3.07
Working Capital	$ 11,447,012	$ 4,096,264
Current Ratio	5.54	2.22
Shareholder' Equity .	$ 10,279,840	$ 4,231,126

Esmark, Inc.

55 East Monroe Street
Chicago, Illinois 60603
(312) 431-3725

Officers: Donald P. Kelly, president & chief executive officer; Roger T. Briggs, sr. v.p.-finance; William P. Carmichael, v.p.-taxes; Edward J. Harrison, v.p. & general counsel; Michael H. Moskow, v.p.-corp. development & planning; Geoffrey C. Murphy, v.p. & controller; Robert E. Palenchar, v.p.-corp. affairs & personnel; Jay D. Proops, v.p. & treasurer; Philip L. Thomas, v.p.-corp. communications; Earl J. Grimm, secretary; Chance Bahadur, Gary J. Bausom, asst. treasurers; Karl M. Becker, asst. general counsel; James S. Corcoran, Richard A. Nunemaker, asst. controllers; Haldon K. Grant, asst. secretary; James L. Morrison, asst. general counsel; Lawrence E. Magner, asst. v.p.

Directors: Samuel B. Casey,Jr., Lester Crown, Archie R. Dykes, Jerome C. Eppler, William B. Johnson, Donald P. Kelly, James J. O'Connor, Richard L. Terrell, Jack A. Vickers, Elmo R. Zumwalt, Jr.

Areas of Work: Through its International Jensen Inc. subsidiary, manufactures high performance audio and high fidelity loudspeakers. Other industries served by Esmark companies are foods, chemicals and industrial products, energy, personal products and automotive products.

Electronics Subsidiary:

International Jensen Incorporated
2121 South Mannheim Road
Westchester, Illinois 60153
(312) 626-3232

Engaged in the wholesale distribution of electrical supplies and equipment in the Midwest. Manufactures high fidelity speakers and mass-volume speakers for original equipment manufacturers, magnets for speakers and other uses.

General Magnetic Company Division
P.O. Box 210159
5252 Investment Drive
Redbird Industrial Park
Dallas, Texas 75211
(214) 296-4711

Jensen Sound Laboratories Division
4136 United Parkway
Schiller Park, Illinois 60176

Rola Company
Warrensville Heights, Ohio
Punxsutawney, Pennsylvania
DuBois, Pennsylvania

Videocraft Manufacturing Company Division
P.O. Box 1878
Industrial Boulevard
Laredo, Texas 78040

Non-Electronics Operating Units:

Swift & Company

The Fresh Meats Division is an integrated processor and distributor of high quality fresh meat products to the domestic retail, food service, and further processor markets through its production plants and sales units. Principal product lines include carcasses and cuts of beef, pork, lamb, broilers, and related by-products.

Estech, Inc.

Involved in phosphate mining; a fully integrated supplier of fertilizers in the U.S. farm industry; and has growing businesses in the adhesives, specialty chemicals, oil refining, engineered products, and dental supply businesses.

International Playtex, Inc.

A worldwide personal products company that manufactures and markets intimate apparel, tampons, hosiery, latex gloves, and baby nursers.

STP Corporation

A marketer of oil and gasoline additives and other branded, packaged automotive consumer products in the United States and more than 130 other countries.

Tridan Corporation

Manufactures Danskin leotards and tights.

Transfer Agent(s):

Harris Trust and Savings Bank
111 West Monroe Street
Chicago, Illinois 60690

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York, Midwest, London, and Frankfurt am Main and Dusseldorf.

Ticker Symbol: ESM

Number of Employees:

1980	31,000	1978	45,000
1979	44,000		

Sales and Earnings ‡

	Revenues + (000's)	Net Income (000's)
1980	$ 2,956,400	$ 471,800
1979	2,616,500	88,700
1978	2,239,200	78,200
1977	1,190,800	73,400
1976	1,845,200	86,300

	No. of Com. Shares #	Earn. per Share #
1980	21,400,000	$21.90
1979	20,200,000	4.21
1978	20,100,000	3.72
1977	20,100,000	3.50
1976	20,100,000	4.15

‡ Restated to reflect change to the successful efforts method of accounting and reclassified for operations subject to disposition.
+ Of continuing operations only.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Foods	$ 1,346,200	$ 1,301,000
Chemicals & industrial products	644,200	510,700
Personal prods.	659,400	520,500
High fidelity & auto prods.	300,800	279,000
Unallocated	5,800	5,300
Total	$ 2,956,400	$ 2,616,500

Esmark, Inc.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.84	—	—
1979	1.84	—	—
1978	1.84	—	—
1977	1.78	—	—
1976	1.58	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1980	$ 579,491,000	$27.08
1979	815,202,000	40.36
1978	763,269,000	37.97

‡ Restated to reflect restructuring program.
† Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended	10/25/80	10/27/79 ‡
Net sales	$ 2,924,887	$ 2,596,847
Other income	31,535	19,700
Total income	$ 2,956,422	$ 2,616,547
Cost of sales	2,264,955	1,993,077
Expenses	374,204	337,109
Adv. & sales promo.	189,907	163,052
Interest expense	46,181	40,988
Income before taxes	$ 81,175	$ 82,321
Income taxes	21,716	24,435
Income from cont. oper.	$ 59,459	$ 57,886
Income from discont. oper.	412,349	30,798
Net Income	$ 471,808	$ 88,684

* Included in Costs and Expenses, Depreciation, Depletion and Amortization: $50,596,000 in 1980 and $46,444,000 in 1979.
‡ Restated to reflect restructuring program.

Assets
(000's)

As of	10/25/80	10/27/79 ‡
Cash	$ 15,776	$ 6,071
Temp. invest.	15,314	14,291
Receivables	378,400	336,777
Receiv. from discont. oper.	128,702	—
* Inventories	476,806	427,182
Deferred inc. taxes	54,440	—
Prepaid expenses & other assets	13,230	8,387
Assets of discont. oper.	154,001	442,653
Current Assets	$ 1,236,669	$ 1,235,361
Investments & other assets	80,687	71,874
Assets of discont. oper.	40,721	318,914
# Fixed Assets	375,304	329,513
Intangibles	120,514	124,556
Total Assets	$ 1,853,895	$ 2,080,218

Liabilities
(000's)

Notes payable	$ 25,479	$ 203,127
Long-term debt. curr.	11,227	7,546
Accts. payable & accruals	394,111	301,757
Pension & health-care prog.	98,396	16,933
Income taxes	99,707	56,299
Deferred inc. taxes	—	35,910
Curr. Liabilities	$ 628,920	$ 621,572
Long-term debt	386,881	464,927
Deferred inc. taxes	85,528	85,899
Pension & health-care prog.	118,700	46,400
Other liabilities	18,576	11,459
+ Redeemable preferred stock	35,799	34,759
+ Common Stock	10,240	20,337
Add. paid-in capital	118,248	204,824
Retained earnings	457,330	590,616
Treasury stock	(6,327)	(575)
Total Liabilities & Shareholders' Equity	$ 1,853,895	$ 2,080,218

‡ Restated to reflect restructuring program.
* At lower of cost (FIFO or average) or market.
# Less accumulated depreciation and depletion.
+ $1 par value.

Statistical Summary

% Net Income to Equity	81.42	10.88
Sales to Inventories	6.13	6.08
Working Capital	$ 607,749,000	$ 613,789,000
Current Ratio	1.97	1.99
Shareholders' Equity	$ 579,491,000	$ 815,202,000

Esquire Radio & Electronics, Inc.

6201 Fifteenth Avenue
Brooklyn, New York 11219
(212) 236-2755

Officers: A. Robert Lieberman, chairman of the board & president; Simon Lynn, executive v.p.; Paul Smith, v.p.-engineering; Nicholas Maffei, v.p.-sales; Harvey Lieberman, v.p.-manufacturing; Gilbert Sherr, v.p.-finance & treasurer; Joshua Levine, secretary.

Directors: A. Robert Lieberman, chairman; Simon Lynn, Paul Smith, Gertrude Lieberman, Gilbert Sherr.

Areas of Work: Manufactures and imports clock and portable radios, citizens band transceivers, stereophonic portable phonographs and speaker systems, cassette recorders, reel-to-reel tape recorders, turntables and record changers, black and white television sets, scanner radios, small screen T.V.-radio combinations and audio stands.

Subsidiaries:

Tangent Industries, Ltd.
Provides repair and factory refurbishing services.

Transfer Agent(s):

Republic National Bank of New York
Brooklyn, New York

Stock Exchange(s): American

Ticker Symbol: EE

Plant Footage:

1980 . . . . . . 522,000 sq.ft. 1979 522,000

Sales and Earnings

	Net Sales	Net Income
1980	$ 51,862,584	$ 1,711,989
1979	37,330,388	1,145,447
1978	48,139,624	1,808,934
1977	39,543,551	1,609,476
1976	29,144,590	1,264,028

	No. of Com. Shares #	Earn. per Share #
1980	483,000	$3.54
1979	483,000	2.37
1978	575,708	3.14
1977	637,777	2.52
1976	640,900	1.97

Based on weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.45	—	—
1979	0.57	—	—
1978	0.52	—	—
1977	0.39	—	—
1976	0.30	—	—

Common Stock Equity

	Total Equity	Equity Per Share#
1980	$ 14,000,246	$28.99
1979	12,505,607	25.89
1978	11,635,470	20.21
1977	11,731,962	18.40
1976	10,677,027	16.66

Based on weighted average number of shares outstanding.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 51,862,584	$ 37,330,388
Cost of sales	46,497,808	32,501,602
Expenses	2,540,960	2,754,937
Interest income	(445,836)	(115,571)
Income before taxes	$ 3,269,652	$ 2,189,420
Income taxes	1,557,663	1,043,973
Net Income	$ 1,711,989	$ 1,145,447

* Included in Costs and Expenses, Depreciation and Amortization: $24,876 in 1980 and $24,755 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 10,712,956	$ 2,734,975
Accts. receiv., net	4,110,964	1,846,047
* Inventories	8,379,989	12,140,367
Prepaid expenses	39,469	47,380
Current Assets	$ 23,243,378	$ 16,768,769
# Fixed assets	43,189	30,728
Total Assets	$ 23,286,567	$ 16,799,497

Liabilities

Notes payable	$ —	$ 750,000
Accts. payable	8,335,301	3,170,714
Accruals	466,020	273,176
Income taxes	485,000	100,000
Curr. Liabilities	$ 9,286,321	$ 4,293,890
+ Common stock	65,126	65,126
Add. paid-in capital	640,209	640,209
Retained earnings	15,233,075	13,738,436
Treasury stock	(1,938,164)	(1,938,164)
Total Liabilities & Shareholders' Equity	$ 23,286,567	$ 16,799,497

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.30	5.86
%Net Income to Sales	3.30	3.07
%Net Income to Equity	12.23	9.16
Sales to Inventories	6.19	3.07
Working Capital	$ 13,957,057	$ 12,474,879
Current Ratio	2.50	3.91
Shareholders' Equity	$ 14,000,246	$ 12,505,607

Esterline Corporation

CBT Plaza
1120 Post Road
Darien, Connecticut 06820
(203) 655-7651

Officers: Charles H. Dyson, chairman of the board; Thomas P. Howes, president; John J. Kane, Theodore F. Brolund, Edward F. Phillippi, Jr., v.p.'s & group executives; Henri M. Van Bemmelen, v.p.-marketing & product development; John H. MacDonald, v.p. & treasurer; Robert A. Goldschmidt, v.p. & controller; Robert D. Farley, v.p. & secretary & general counsel; Vincent Santilli, asst. treasurer & asst. secretary.

Directors: Charles H. Dyson, Secor D. Browne, Robert F. Goldhammer, Bushrod W. Burns, Jr., Donald J. Jones, Thomas P. Howes, Anne E. Dyson; Lee L. Davenport.

Divisions and Subsidiaries:

Boyar-Schultz Corporation
2000 South 25th Avenue
Broadview, Illinois 60153
(312) 345-1300

Manufactures surface and contour grinding machines for general manufacturing and tool room operations.

W.A. Whitney Corporation
650 Race Street
Rockford, Illinois 61105
(815) 964-6771

W.A. Whitney Italia, S.p.A.
Strada Del Francese 130/9
Turin 10156, Italy

Manufactures automated equipment for sheet metal, plate, and structural steel fabrication.

Tulon, Inc.
15209 South Broadway
Gardena, California 90248
(213) 532-1040

Produces tungsten carbide printed circuit board drills and metal cutting tools.

Excellon Industries
23915 Garnier Steet
Torrance, California 90509
(213) 325-8000

Excellon Automation
23915 Garnier Street
Torrance, California 90509
(213) 325-8000

Manufactures automated printed circuit board drilling and routing machinery andoptical programming systems for such machinery.

Excellon Micronetics
23915 Garnier Street
Torrance, California 90509
(213) 325-8000

Engaged in the production of automated equipment or hybrid circuit assembly andmicrocircuit wire bonding.

Excellon Europa GmbH
Justus-Van-Liebig-Str. 19
D-6057 Dietzenbach/BRD
West Germany

Federal Products Corporation
1144 Eddy Street
Providence, Rhode Island 02901
(401) 781-9300

Produces analog and digital dimensional measurement and inspection instruments for industrial quality control applications.

A.G. Davis Gage & Engineering Company
21435 Dequindre Road
Hazel Park, Michigan 48030
(313) 548-9444

Manufactures large dimensional measurement systems, automated index tables, and work holders.

Lenox Instrument Company, Inc.
111 East Luray Street
Philadelphia, Pennysivania 19120
(215) 324-4543

Produces optical instruments for internal inspection of hazardous and inaccessible area.

Federal Gages Ltd. (70% owned by Federal Products Corp.)
Brick Knoll Park, Ashley Road
St. Albans, AL1 SPL
Herts, England

Esterline Angus Instrument Corporation
1201 Main Street
Indianapolis, Indiana 46224
(317) 244-7611

Manufactures analog and digital recording instruments, analytical process monitoring and control instrumentation.

Scientific Columbus, Inc.
1900 Arlingate Lane
Columbus, Ohio 43228
(614) 294-5671

Products include: Analog and digital electronic meters, transducers, and instruments for monitoring, billing, and controlling electric power.

Auxitrol
187-189 Boulevard Saint Denis
B.P. 35, 92403 Courbevoie, France

Auxitrol Iberico S.A.
C/Caucho Poligono/
Industrial Torrejon
B.P. 36233 Madrid, Spain

Cermat
187-189 Boulevard Saint Denis
B.P. 35, 92403 Courbevoie, France

Products of the various divisions include: liquid level, temperature and pressure control and measuring devices; aviation thermocouples; electrical penetrationdevices for nuclear power plants.

Excellon International
Dominion Way
Near Little Hampton
Rustington, Sussex
England BN16-3HQ

Manufactures automated printed circuit board production machinery, manual printed circuit board drilling and routing machinery.

Nuclear Automation
381 Colonial Manor Road
North Huntingdon, Pennsylvania 15642
(412) 863-1000

Manufactures structural components for naval nuclear vessel power plants; aicraft hydraulic actuators.

Transfer Agent(s):

Manufacturers Hanover Trust Company
4 New York Plaza
New York, New York 10015

The First Jersey National Bank
One Exchange Place
Jersey City, New Jersey 07302

Stock Exchange(s): New York

Ticker Symbol: ESL

Plant Footage:

1980	2,129,000 sq. ft.	1977	1,400,000
1979	1,950,000	1976	1,379,000
1978	1,950,000		

Sales and Earnings

	Net Sales +	Net Income
1980	$ 243,428,000	$ 19,880,000
1979	206,347,000	12,892,000
1978	168,875,000	7,201,000
1977	123,995,000	2,170,000
1976	96,359,000	3,623,000

	No. of Com. Shares #	Earn. per Share #
1980	7,839,000	$2.36
1979	7,580,000	1.55
1978	7,533,000	.88
1977	7,456,000	.25
1976	7,436,000	.44

+ Of continuing operations only.

# Based on average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues By Line of Business

		1980		1979
Automation	$	126,435	$	102,728
Metrology		51,309		42,667
Data acquisition & controls		45,621		46,182
Nuclear prods.		20,063		14,770
Total	$	243,428	$	206,347

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.446	—	3-for-2 & 3-for-2
1979	0.312	—	—
1978	0.196	—	—
1977	0.16	—	—
1976	0.151	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity ‡	Equity Per Share #
1980	$ 78,632,000	$10.03
1979	46,963,300	6.20
1978	36,275,000	4.82

‡ After allowing for preferred stock at liquidation value of $100 per share.

# Based on average number of shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Oct. 31		1980		1979
Net sales	$	243,428	$	206,347
Cost of sales		143,760		125,697
Expenses		58,255		51,621
Interest expense		4,003		3,763
Income before taxes	$	37,410	$	25,266
Income taxes		17,530		12,374
Net Income	$	19,880	$	12,892

*Included in Costs and Expenses, Depreciation and Amortization: $3,520,000 in 1980 and $3,018,000 in 1979.

Assets
(000's)

As of Oct. 31		1980		1979
Cash	$	22,978	$	6,021
Accts. & notes receiv., net		49,191		39,798
*Inventories		50,538		45,432
Prepaid expenses		1,404		1,123
Current Assets	$	124,111	$	92,374
# Fixed assets		27,551		23,696
Other assets		2,185		1,905
Intangibles		14,167		14,348
Total Assets	$	168,014	$	132,323

Liabilities
(000's)

Notes payable	$	3,745	$	3,080
Long-term debt, curr.		2,452		2,411
Accts. payable		17,329		14,945
Accruals		20,015		18,987
Income taxes		7,000		9,272

Curr. Liabilities	$	50,541	$	48,695
Long-term debt		37,119		27,336
Other liabilities		1,722		1,715
+ Preferred stock		—		76
+ + Common stock		1,732		689
Add. paid-in capital		13,889		6,864
Retained earnings		63,641		47,578
Treasury stock		(630)		(630)
Total Liabilities & Shareholders' Equity	$	168,014	$	132,323

*At lower of cost (FIFO) or market.
Less accumulated depreciation.
+ $1 par value.
+ + $0.20 par value.

Statistical Summary

%Income bef. Taxes to Sales	15.37	12.24
%Net Income to Sales	8.17	6.25
%Net Income to Equity	25.28	23.62
Sales to Inventories	4.82	4.54
Working Capital	$ 73,570,000	$ 43,679,000
Current Ratio	2.46	1.90
Shareholders' Equity	$ 78,632,000	$ 54,577,000

E-Systems, Inc.

6250 LBJ Freeway
P.O. Box 226030
Dallas, Texas 75266
(214) 661-1000

Officers: John W. Dixon, chairman of the board & pres.; Kenneth M. Smith, exec. v.p.; Robert H. Mitchell, David R. Tacke, sr. v.p.'s; Eugene Berg, v.p.-new business development & planning; Robert C. Smith, v.p.-customer relations; A. Lowell Lawson, v.p. & gen. mgr.-Greenville Div.; Lee M. Crutchfield, v.p.-administration; James W. Crowley, v.p., secretary & general counsel; Lloyd K. Lauderdale, v.p.-research & engineering; Virgil B. Pettigrew, v.p.-finance & chief financial officer; E.G. Keiffer, v.p. & general manager-Garland Div.; Thomas D. Kelly, v.p.-finance; Joe W. Russell, v.p.-corp. relations; Harry L. Thurmon, v.p. & gen. mgr.-Memcor Div.

Directors: John W. Dixon, chairman; E.F. Buehring, Duward L. Crow, LeVan Griffis, S. Lee Kling, Francine I. Neff, Robert H. Mitchell, W.F. Raborn, K.M. Smith, D.R. Tacke.

Areas of Work: Engaged in the development and production of command and control systems and equipment; complete systems have included clear and secure communication systems, large-scale data processing systems, software, data-link terminals, displays, and related antennas. Produces and develops electronic warfare systems and electromagnetic support equipment; intelligence processing, which includes signal processing systems, computer systems, and modeling, and systems studies; intelligence collection, which includes signal collection systems and systems studies; tactical/security electronics which includes jamming and deception systems, electronic counter-measure systems, radar homing and warning systems, fuzing and timing devices, intrusion detection devices, and special-purpose devices. Engaged in the production of tactical radios and military communications systems and equipment, and guidance and navigation systems; also produces large diameter satellite commercial communication earth station antennas automation programs for the U.S. Postal Service, infrmation handling and data-display system, flight control systems, and electronic components, including resistors, rheostats and switches. Also engaged in aircraft overhaul, maintenance and modification.

Divisions and Subsidiaries:

Electronics Systems Group

Garland Division
P.O. Box 226118
Dallas, Texas 75266
(214) 272-0515

Melpar Division
7700 Arlington Boulevard
Falls Church, Virginia 22046
(703) 560-5000

Montek Division
2268 South 3270 West
Salt Lake City, Utah 84119
(801) 973-4300

Commercial Division
P.O. Box 226031
Dallas, Texas 75266
(817) 461-3511

TelSatCom Division
P.O. Box 224948
Dallas, Texas 75264
(214) 272-0515

Energy Technology Center
P.O. Box 226118
Dallas, Texas 75266
(214) 272-0515

Aircraft Systems Group

Greenville Division
P.O. Box 1056
Greenville, Texas 75401
(214) 455-3450

Serv-Air, Inc.
P.O. Box 1669
Greenville, Texas 75401
(214) 454-2000

Air Asia Company Limited
Tainan Airfield
Tainan, Taiwan 700
Republic of China
234141

Production Electronics Group

ECI Division
1501 72nd Street No.
St. Petersburg, Florida 33733
(813) 381-2000

Memcor-Tampa Operations
P.O. Box 23500
Tampa, Florida 33623
(813) 885-7826

ESY Export Company, Inc.
P.O. Box 226030
Dallas, Texas 75266
(214) 661-1000

Center for Advanced Planning and Analysis
7900 Westpark Drive, Suite 700
Honeywell Center
McLean, Virginia 22101
(703) 827-0400

Communications Manufacturing Division
P.O. Box 33010
St. Petersburg, Florida 33733
(813) 381-1151

Transfer Agent(s):

First National Bank in Dallas
Dallas, Texas

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): New York

Ticker Symbol: ESY

Number of Employees:

1980	11,000	1977	9,816
1979	10,734	1976	10,540
1978	10,765		

Plant Footage:

1980	4,370,000 sq.ft.	1977	4,184,000
1979	3,990,000	1976	4,184,000
1978	4,184,000		

Sales and Earnings

	Net Sales	Net Income
1980	$442,229,000	$ 12,759,000
1979	393,728,000	18,617,000
1978	340,399,000	12,650,000
1977	347,353,000	18,980,000
1976	319,900,000	14,528,000

	No. of Com. Shares	Earn. per Share ‡
1980	6,896,020	$1.87
1979	5,960,452	3.12
1978	4,322,236	2.29
1977	3,724,544	3.63
1976	2,290,802	2.72

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock splits.

Revenues By Line of Business
(000's)

		1980		1979
Electronics warfare	$	216,332	$	180,573
Command, control & communications		108,669		110,627
Guidance, control & navigation		36,933		30,765
Aircraft maintenance & modification		66,937		64,405
Other products		13,358		7,358
Total	$	442,229	$	393,728

Common Stock

	Cash Dividends‡	Stock Dividend	Stock Split
1980	$1.00	—	—
1979	0.95	—	4-for-3
1978	0.90	—	—
1977	0.83	—	8-for-5
1976	0.57	10%	—

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$140,209,000	$20.33
1979	108,138,000	18.14
1978	91,659,000	21.21
1977	70,220,000	18.85
1976	54,426,000	23.76

Income Account *
(000's)

Year ended Dec. 31		1980		1979
Net sales	$	442,229	$	393,728
Other income		1,056		324
Total Income	$	443,285	$	394,052
Cost of sales		365,852		314,012
Expenses		49,969		44,391
Interest expense		5,669		3,634
Income before taxes	$	21,785	$	32,015
Income taxes		9,026		13,398
Net Income	$	12,759	$	18,617

* Included in Costs and Expenses, Depreciation and Amortization: $8,219,000 in 1980 and $6,986,000 in 1979.

Assets
(000's)

As of Dec. 31		1980		1979
Cash & securities	$	6,780	$	8,536
Accts. receiv., net		59,915		60,795
Unreimbursed costs & fees		19,296		20,887
Fixed-price contracts		74,054		60,666
Raw materials & purch. parts		12,587		7,746
Other assets		1,580		1,009

Current Assets	$ 178,102	$ 159,639
# Fixed assets	53,615	52,214
Defer. charges & other assets	4,019	4,621
Total Assets	$ 235,736	$ 216,474
Liabilities (000's)		
Long-term debt, curr.	$ 354	$ 321
Accts. payable	17,769	21,397
Accruals	46,750	39,122
Income taxes	6,930	4,556
Curr. Liabilities	$ 71,803	$ 65,637
Long-term debt	18,111	38,508
Employee benefits	2,585	3,117
Deferred inc. taxes	1,569	1,315
+ Common stock	8,620	7,451
Add. paid-in capital	64,579	39,775
Retained earnings	67,010	60,912
Total Liabilities & Shareholders' Equity	$ 235,736	$ 216,474

Less accumulated depreciation.
+ $1.25 par value.

Statistical Summary

% Income bef. Taxes to Sales	4.93	8.13
% Net Income to Sales	2.89	4.73
% Net Income to Equity	9.10	17.22
Working Capital	$ 106,299,000	$ 94,243,000
Current Ratio	2.48	2.44
Shareholders' Equity	$ 140,209,000	$108,138,000

Ex-Cell-O Corporation

2855 Coolidge Road
Troy, Michigan 48084
(313) 649-1000

Officers: Edward J. Giblin, chairman & chief exec. officer; E. Paul Casey, president & chief operating officer; Ralph P. White, Otto Kern, Seymour S. Feuer, Allan P. Geddes, group vice presidents; Walter B. Fisher, Jack Guest, E. Hugh Jones, J. William Lenz, Robert C. Williams, v.p.'s; Alan D. MacDonald, v.p., secretary & general counsel; Richard A. McWhirter,v.p. & controller; Edmund J. Whiting, v.p. & treasurer; John G. Turner, Henry E. Gajewski, asst. v.p.'s; June M. Ferguson, Norma R. Tata, asst. secretaries; Jack A. Stone, Robert S. Akroyd, asst. treasurers; Thomas J. Stuart, asst. controller.

Directors: Edward J. Giblin*, William G. Meese, Wilbur K. Pierpont, Paul R. Trigg, Jr., Coleman F. Hogan, Wendell W. Anderson, Jr., E. Paul Casey*, Edward F. Gibbons, Theodore H. Mecke, Jr., Joseph D. Williams, Carlton M. Higbie, Jr.

*Member of Executive Committee.

Areas of Work: Major product lines of the company fall into five industry segments: Industrial Equipment-Manufactures cutting tools, a wide range of metal-forming machine tools and packaging and materials handling equipment. Automotive Components-Products include interior and exterior flexible urethane parts, heat transfer equipment and gaskets. Aerospace-Products include precision blades and vanes, rotating components and fuel-metering devices. Ordnance-Products include turret and gun control systems, armored vehicles and related products. Other products include contractor tools, power transmission equipment structural foam parts, computer peripheral equipment, sprayers and potable heaters, precision metal parts.

Divisions & Plants:

Packaging Systems Division
505 East Jefferson
Bluffton, Ohio 45817
(419) 358-6015
Pure-Pak machines.

Tool and Abrasive Products Division
P.O. Box 89
Junction 38 and 67
Pendleton, Indiana 46064
(317) 778-2144
Honing abrasives.

Tool and Abrasive Products Division
519 West 5th Street
Clare, Michigan 48617
(517) 386-7751
Machine tool accesssories, adjustable boring units, quick change tooling, flat broaches, cutting tools.

Tool and Abrasive Products Division
P.O. Box 248
Industrial Drive
Angola, Indiana 46703
Electrolytic grinding wheels, honing abrasives.

Aerospace Division
P.O. Box 477
South Main Street
E. Windsor, Connecticut 06088
Precision parts for aircraft, gas and steam turbines.

Tool and Abrasive Division
Products Division
25900 Greenfield Road
Oak Park, Michigan 48237
(313) 968-1700
Carbide metals, inserts, standard and special tools, tool block assemblies.

Tool and Abrasive Products Division
Swannanoa, North Carolina 28778
Gear cutting tools.

Aerospace Division
700 N. Centennial
Zeeland, Michigan 49464
(616) 772-9171
Fuel injection nozzles and spray bars.

Subsidiaries:

Accurate Bushing Company
443 North Avenue
Garwood, New Jersey 07027
(201) 789-1121
Drill jig bushings, railroad pins and bushings, drilling fixtures, precision parts, needle bearings, special bearings, cam rollers.

Atlantic Machine Tool Works, Inc.
549 Cedar Street
Newington, Connecticut 06111
(203) 666-4601
Precision parts for aircraft, gas and steam turbines, jig boring machines, milling machines, electrochemical machines, electrical discharge machines.

Bryant Grinder Corporation
257 Clinton Street
Springfield, Vermont 05156
(802) 885-5161
Internal grinders, external foam grinders, external centerless grinders, centerhold grinders.

Cadillac Gage Company
25760 Groesbeck Highway
P.O. Box 1027
Warren, Michigan 48090
(313) 777-7100
Gages, ordnance equipment, armored cars.

Chicago Gear Mfg. Company
2819 West Fulton Street
Chicago, Illinois 60612
(312) 638-0508
Contract gear cutting.

XLO Materials Handling Co.
1003 Corning Avenue
St. Paul, Minnesota 55016
(612) 774-6021
Conveyors, materials handling equipment.

Forest City Tool Co.
P.O. Box 788
Hickory, North Carolina 28601
(704) 322-4266
Woodworking tools.

Aerospace Division
2500 South J Street
Elwood, Indiana 46036
(317) 552-7301
Aircraft turbine blades and vanes.

Aerospace Division
Court Place
Fostoria, Ohio 44830
(419) 435-6623
Aircraft turbine blades and vanes.

Cadillac Gage Division
945 East Sater Street
P.O. Box Drawer 10
Greenville, Ohio 45331
(513) 548-3166
Rotary actuators.

Aerospace Division
201 W. 8th Street
Holland, Michigan 49423
(616) 396-3583
Turbine parts; aircraft fuel nozzles, turbine nozzles, spray rings.

Micromatic Operations
345 E. 48th Street
Holland, Michigan 49423
(616) 392-2341
Hot and cold chamber die casting machines, woodworking planers, trim presses, injection molding machines, honing machines, superfinishing machines, hone-forming machines, structural foam machines.

Workcenter Operations
2280 W. Grand River Avenue
P.O. Box 40
Howell, Michigan 48843
(517) 546-5330
Special machine tools, numerically controlled machining centers, transfer machines.

Aerospace Division
750 Buckeye Road
P.O. Box 1085
Lima, Ohio 45802
(419) 228-3302
Blades, rotors, spacers and vanes for turbine engines, gas turbines, steam turbine components.

Packaging Systems Division
909 Tower Road
Mundelein, Illinois 60060
(312) 566-9400
"Pure-Pak" parts central distribution center.

Remex Division
1733 Alton Street
Irvine, California 92713
(714) 557-6860
Punched tape readers, spoolers and perforators, disc systems, tape cassettes, interfaces.

Packaging Systems Division
850 Ladd Road
Walled Lake, Michigan 48088
(313) 961-5774
Pure-Pak systems R & D, Pure-Pak Laboratory.

Tool and Abrasive Products Division
Topeka, Indiana 46571
Carbide metals.

Cone-Drive Operations
240 E. Twelfth Street
Traverse City, Michigan 49684
(616) 946-8410
Worm gear sets, speed reducers, gear motors.

Manistee Operations
254 River Street
Manistee, Michian 49660
(616) 723-9981
Gear cutting machines, gear and spline rolling machines, gear finishing machines, iron foundry, broaching machines, cold saws.

Micro-Precision Operations
519 Berne Street Extension
Berne, Indiana 46711
(219) 589-2136
Automatic assembly and gaging systems, thread and groove gages, adjustable sine plates.

Ex-Cell-O Corporation

Greenlee Bros. & Co.
2136 Twelfth Street
Rockford, Illinois 61101
(815) 963-4881

Transfer machines, automatic bar machines, woodworking machines, iron foundry.

Rockford Machine Tool Co.
2500 Kishwaukee Street
Rockford, Illinois 61101
(815) 963-7611

Milling machines, roll forming machines, planers, shaper/planers, shapers, slotters, duplicators.

Greenlee Tool Co.
Rockford, Illinois 61101
(815) 963-7611

Tools for woodworking machines, conduit and pipe benders, cable puller, relatedequipment for electricians, plumbers and contractors.

Ex-Cell-O Corporation of Canada, Ltd.
P.O. Box 3535
120 Weston Street
London, Ontario, Canada
(519) 965-5397

Precision boring machines, ram turret mills, special machines, transfer machines, PurePak machines.

Colonial Tool Company
1691 Walker Road
Windsor, Ontario, Canada
(519) 965-8680

Cutting tools, broaches, machine tool ways, gear and power transmission products.

Wil-Dex
89 Don Street
P.O. Box 910
Clinton, Ontario, Canada
(519) 482-3461

Carbide tool inserts, indexable tool holders.

Micromatic Home
330 Grand River Avenue
Brantford, Ontario, Canada
(519) 759-6930

Honing abrasives, contract honing, sales of XLO Micromatic honing products andBryant Grinder products.

Ex-Cell-O Corporation (England) Limited
Hastings Road
P.O. Box 133
Leicester, LE5, OHT, England

Precision boring machines, internal grinders, special machines, transfer machines.

Ex-Cell-O GmbH
Salacherstrasse 93 - Post Fach 1160
7332 Eislingen/Fils
West Germany

Precision boring machines, center lathes, gear honers, special machines, transfer machines.

McCord Corporation
2850 West Grand Boulevard
Detroit, Michian 48202
(313) 875-7000

Supplier of products to passenger car, truck and other vehicle manufacturers; to auto and truck replacement parts distributors; and to agricultural equipment manufacturers and distributors.

Davidson Rubber Company
Industrial Park
Dover, New Hampshire 03820
(603) 742-0720

Manufactures and markets high technology urethane aod other sophisticated plastic products for interior and exterior use on passenger cars and trucks.

Century Engineering Corp.
221 4th Avenue, S.E.
Cedar Rapids, Iowa 52401
(319) 364-4101

Manufactures oil and kerosene-fired portable space heaters used to heat agricultural and industrial buildings.

Transfer Agent(s):

Morgan Guaranty Trust Company
23 Wall Street
New York,New York 10015

Stock Exchange(s): New York

Ticker Symbol: XLO

Number of Employees:

1980	16,831	1977	9,825
1979	16,887	1976	9,605
1978	14,250		

Plant Footage:

1980	7,078,000 sq. ft.	1977	5,042,000
1979	6,450,000	1976	4,812,000
1978	6,450,000		

Sales and Earnings

	Net Sales +	Net Income
1980	$1,020,677,000	$ 50,404,000
1979	961,867,000	54,212,000
1978	729,792,000	39,412,000
1977	446,635,778	29,062,784
1976	416,109,726	25,471,883

	No. of Com. Shares #	Earn. per Share #
1980	10,264,000	$4.91
1979	10,216,000	5.31
1978	9,692,000	4.07
1977	7,955,000	3.65
1976	7,955,000	3.20

+ Includes operating revenues.
# Based on weighted average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Industrial equip.	$ 387,296	$ 321,798
Automotive Comp.	216,321	241,642
Aerospace	197,464	167,008
Ordance	62,996	81,022
Other prod.	156,600	150,397
Total	$ 1,020,677	$ 961,867

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.975	—	—
1979	1.825	—	—
1978	1.55	—	—
1977	1.3625	—	—
1976	1.1375	—	—

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 384,651,000	$37.53
1979	351,780,000	34.49
1978	313,312,000	31.20
1977	238,115,976	29.93
1976	219,891,910	27.64

# Based on number of shares outstanding.

Income Account *
(000's)

Year ended Nov. 30	1980	1979
Net sales & rev.	$ 1,020,677	$ 961,867
Other income	19,612	21,337
Total Income	$ 1,040,289	$ 983,204
Cost of sales	815,073	754,621
Expenses	128,694	121,846
Interest expense	7,679	5,769
Income before taxes	$ 88,843	$ 100,968
Income taxes	38,439	46,756
Net Income	$ 50,404	$ 54,212

* Included in Costs and Expenses, Depreciation and Amortization: $29,116,000 in 1980 and $27,543,000 in 1979.

Assets

As of Nov. 30	1980	1979
Cash & marketable secur.	$ 40,902,000	$ 13,470,000
Accts. & notes	156,041,000	136,895,000
Other assets	27,224,000	20,788,000
*Inventories	238,485,000	224,173,000
Current Assets	$ 462,652,000	$ 395,326,000
Investments	11,386,000	9,731,000
#Fixed assets & rental machines	181,986,000	173,504,000
Other assets	49,386,000	40,284,000
Total Assets	$ 705,410,000	$ 618,845,000

Liabilities

Notes payable	$ 5,508,000	$ 2,050,000
Long-term debt, curr.	9,576,000	1,948,000
Accts. payable & accruals	189,222,000	145,168,000
Income taxes	22,737,000	25,745,000
Curr. Liabilities	$ 227,043,000	$ 174,911,000
Long-term debt	60,080,000	62,163,000
Deferred income	10,782,000	12,011,000
Deferred inc. taxes	22,854,000	17,980,000
+ Common stock	30,844,000	30,721,000
Add. paid-in capital	74,102,000	71,788,000
Retained earnings	280,564,000	250,457,000
Treasury stock	(859,000)	(1,186,000)
Total Liabilities & Shareholders' Equity	$ 705,410,000	$ 618,845,000

* At lower of cost (FIFO, average and LIFO) or market.
# Less accumulated depreciation.
+ $3 par value.

Statistical Summary

%Income bef. Taxes to Sales & Rev.	8.70	10.50
%Net Income to Sales & Revenue	4.94	5.64
%Net Income to Equity	13.10	15.41
Working Capital	$ 235,609,000	$ 220,415,000
Current Ratio	2.04	2.26
Shareholders' Equity	$ 384,651,000	$ 351,780,000

Extek Microsystems, Inc.

6955 Hayvenhurst Avenue
Van Nuys, California 91406
(213) 989-2630

Officers: Donald J. Farmer, president & treasurer; George M. Barr, v.p.-marketing & asst. secretary; Nick P. Durso, v.p.-operations; Bernard Shearer, secretary.

Directors: Donald J. Farmer, Bernard Shearer, Robert H. Webster.

Areas of Work: Designs, manufactures, sells and leases microfilm duplication products, and distributes microfilm equipment and film.

Transfer Agent(s):

City National Bank
Los Angeles, California

Stock Exchange(s): Over-the-Counter.

Sales and Earnings

	Net Sales	Net Income #
1980	$ 1,267,936	$ 147,594
1979	1,069,213	217,037

1978	867,380	184,172
1977	678,935	110,270
1976	686,907	11,421

	No. of Com. Shares +	Earn. per Share + #
1980	257,481	$0.57
1979	263,878	0.82
1978	264,047	0.70
1977	264,047	0.42
1976	264,047	0.04

+ Based on the weighted average number of common shares and common share equivalents outstanding.

# Including extraordinary gains of $16,245 ($0.06 per share) in 1980, $86,000 (0.32 per share) in 1979, 196,900 ($0.37 per share) in 1978, $39,500 ($0.15 per share) in 1977 and $2,300 ($0.01 per share) in 1976.

Common Stock Equity

	Total Equity‡‡	Equity Per Share ‡
1980	$ 991,733	$3.85
1979	851,339	3.23
1978	643,088	2.44
1977	461,636	1.75
1976	354,086	1.34

‡‡ After allowing for preferred stock at par value of $100 per share.

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 1,267,936	$ 1,069,213
Other income	106,626	75,473
Total income	$ 1,374,562	$ 1,144,686
Cost of sales	681,728	549,711
Expenses	403,573	330,299
Research & develop.	76,912	25,639
Income before taxes	$ 212,349	$ 239,037
Income taxes	81,000	108,000
Net Income	$ 131,349	$ 131,037
Extraord. gain	16,245	86,000
Net Income & extraord. gain	$ 147,594	$ 217,037

* Included in Costs and Expenses, Depreciation and Amortization: $23,427 in 1980 and $16,035 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 386,805	$ 394,380
Receiv., net	312,814	245,264
* Inventories	367,416	265,943
Prepaid expenses & other assets	13,565	22,762
Current Assets	$ 1,080,600	$ 928,349
‡ Rental equip.	8,935	11,736
# Fixed assets	66,742	52,901
Total Assets	$ 1,156,277	$ 992,986

Liabilities

	1980	1979
Accts. payable & accruals	$ 113,878	$ 79,156
Accrued payroll	16,666	26,809
Income taxes	—	1,682
Curr. Liabilities	$ 130,544	$ 107,647
+ Preferred stock	34,000	34,000
+ + Common stock	9,801	9,801
Add. paid-in capital	3,051,699	3,051,699
Deficit	(2,059,201)	(2,204,095)
Treasury stock	(10,566)	(6,066)
Total Liabilities & Shareholders' Equity	$ 1,156,277	$ 992,986

* At lower of cost (FIFO) or market.

‡ Less accumulated depreciation.

# Less accumulated depreciation and amortization.

+ $100 par value; 8% cumulative convertible.

+ + $0.05 par value.

Statistical Summary

% Income bef. Taxes to Sales	16.75	22.36
% Net Income to Sales	10.36	12.26
% Net Income to Equity	12.81	14.80
Sales to Inventories	3.45	4.02
Working Capital	$ 950,056	$ 820,702
Current Ratio	8.28	8.62
Shareholders' Equity	$ 1,025,733	$ 885,339

Fabri-Tek Incorporated

6900 Shady Oak Road
Eden Prairie, Minnesota 55344
(612) 941-9100

Officers: M.F. Mickelson, chairman of the board, president & chief financial officer; J.L. Ipsen, v.p.-operations; W.T. Dolan, secretary; J.H. Mortenson, treasurer & controller.

Directors: M.F. Mickelson, chairman of the board; J.L. Ipsen, J.P. Goan, W.T. Welsh; Paul V. Grambsch.

Areas of Work: Engaged in the design, manufacture and sale of memory products, electronic connectors and printed circuit boards. Memory products include magnetic ferrite cores, arrays and stacks, and systems.

Divisions and Subsidiaries:

Computer Group

- Computer Systems Division
  Eden Prairie, Minnesota

- Fabri-Tek Computer Components
  Glasgow, Scotland

- Fabri-Tek H.K. Limited
  Hong Kong

Component X Group

- National Connector Division
  New Hope & Cokato, Minnesota

- Fabri-Tek Circuits, Inc.
  Baldwin, Wisconsin

Transfer Agent(s):

First Trust Company of Saint Paul
Saint Paul, Minnesota

Stock Exchange(s): Over-the-Counter

Ticker Symbol: FATK (NASDAQ)

Plant Footage:

1980 . . . . . . 50,000 sq. ft.

Sales and Earnings

	Revenues	Net Income †
1981	$ 38,120,844	$ 3,812,986
1980	33,663,198	2,076,163
1979	29,899,181	(2,371,611)
1978	26,398,446	501,426
1977	24,654,935	(460,197)

	No. of Com. Shares #	Earn. per Share †#
1981	3,942,268	$0.97
1980	3,701,059	0.56
1979	3,701,059	—
1978	3,701,059	0.14
1977	3,701,059	—

(Loss)

† Including extraordinary gains of $1,541,000 ($0.39 per share) in 1981; $751,000 ($0.20 per share) in 1980 and $102,000 ($0.03 per share) in 1979.

# Based on the weighted average number of shares outstanding during each year.

Revenues By Line of Business

	1980	1979	1978	1977
Memory products	50.0%	47.0%	49.0%	50.0%
Electronic connectors	44.5	39.0	32.0	25.0
Printed circuit boards	5.0	5.0	5.0	4.0
Discontinued oper.	5.0	9.0	14.0	21.0
Total	100.0%	100.0%	100.0%	100.0%

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,885,213	$0.51
1979	(358,478)	—

(Deficiency)

Income Account *

Year ended	3/28/80	3/30/79
Net sales	$ 33,059,637	$ 2,716,309
Other income	603,561	182,872
Total income	$ 33,663,198	$ 29,899,181
Cost of sales	25,772,568	24,641,409
Expenses	4,256,943	4,853,420
Interest expense	1,961,229	1,614,089
Income (loss) before taxes	$ 1,672,458	$ (1,209,737)
Income taxes	451,000	202,000
Income (loss) from cont. oper.	$ 1,221,458	$ (1,411,737)
Income (loss from discont. oper.	103,705	(959,874)
Net Income (Loss) & Extraord. gain.	$ 1,325,163	$ (2,371,611)
	751,000	—
Net Income (Loss) & Extraord. gain	$ 2,076,163	$ (2,371,611)

*Included in Costs and Expenses, Depreciation and Amortization: $835,110 in 1980 and $819,667 in 1979.

Assets

As of	3/28/80	3/30/79
Cash	$ 2,087,158	$ 257,612
Comm. paper	1,090,000	—
Receiv., net	5,751,823	5,280,073
*Inventories	6,133,938	6,256,194
Prepaid expenses	312,831	181,193
Current assets of discont. oper.	—	817,039
Current Assets	$ 15,375,750	$ 12,792,111
# Fixed assets	3,178,054	3,132,974
Other assets	458,933	244,445
Intangibles	896,188	896,188
Total Assets	$ 19,908,925	$ 17,065,718

Liabilities

	3/28/80	3/30/79
Notes payable	$ 51,470	$ 1,222,577
Long-term debt, curr.	2,686,553	9,027,430
Accts. payable	1,923,504	2,705,805
Accruals	1,363,403	965,091
Accrued payroll	915,805	671,042
Loss on long-term lease oblig.	175,000	233,707
Income taxes	221,154	486,603
Curr. Liabilities	$ 7,336,889	$ 15,312,255
Long-term debt	9,809,188	1,149,658
Deferred income	749,892	815,265
Deferred inc. taxes	127,743	147,018
+ Common stock	370,106	370,106

Add. paid-in capital	4,055,451	3,887,923
Deficit	(2,540,344)	(4,616,507)
Total Liabilities & Shareholders' Equity	$ 19,908,925	$ 17,065,718

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Net Income to Equity	70.29	—
Sales to Inventories	5.39	4.75
Working Capital	$ 8,038,861	$ —
Current Ratio	2.10	—
Shareholders' Equity (Deficiency)	$ 1,885,213	$ (358,478)

Fairchild Industries, Inc.

Sherman Fairchild Technology Center
20301 Century Boulevard
Germantown, Maryland 20767
(301) 428-6000

Officers: Edward G. Uhl, chairman of the board and chief executive officer; John F. Dealy, president and chief operating officer; Charles Collis, executive v.p.; Emanuel Fthenakis, senior v.p.; George S. Attridge, v.p. and chief financial officer; Robert J. Dixon, James J. Foody, Myron S. Malkin, Richard B. Miller, J. Gilbert Nettleton, Jr., Richard G. Orr, John W. Townsend, Jr., Robert C. Woods, v.p.'s; Richard B. Molleur, v.p. and general counsel; John D. Jackson, secretary; William H. Buckland, treasurer; James P. Allen, comptroller.

Directors: Edward G. Uhl*, chairman; John F. Dealy*, Jerold C. Hoffberger*, Mortimer M. Caplin*, Joseph H. Gamache, Richmond H. Kauffman, Charles A. Kuper, Deming Lewis, William T. Marx, Thomas H. Moorer, Mason Phelps, William V. Platt.

*Member of Executive Committee

Areas of Work: Manufactures commercial and military aircraft, reconditions and services aircraft; also engaged in space satellite production and operation of earth stations, produces tubular extendible elements, deployable solar arrays, and avionics systems for ground and airborne applications, heat transfer equipment, fasteners, tooling for plastics and die casting, analog and digital transducers, air turbines, environmental control systems for ground and airborne applications, heat transfer equipment, air turbine drives, refrigeration systems, pneumatic and cryogenic valves, launchers, flares, valves and transmission systems for industrial machinery; aircraft seating; service carts; and galleys.

Divisions:

Fairchild Aircraft Service Division
P.O. Box 1177
Crestview, Florida 32536
(904) 682-2746

Fairchild Republic Company
Farmingdale, Long Island, New York 11735
(516) 531-0105

Fairchild Republic Company
Hagerstown, Maryland 21740
(301) 733-3600

Fairchild Industrial Products Division
1501 Fairchild Drive
Winston-Salem, North Carolina 27105
(919) 767-6010

Fairchild Space & Electronics Company
Sherman Fairchild Technology Center
Century Boulevard
Germantown, Maryland 20767
(301) 428-6000

Fairchild Stratos Division
1800 Rosecrans Avenue
Manhattan Beach, California 92066
(213) 675-9111

Fairchild Burns Company
1455 Fairchild Road
Winston-Salem, North Carolina
(919) 767-6010

Subsidiaries:

Fairchild Swearingen Corporation
P.O. Box 32486
San Antonio, Texas 78284
(512) 824-9421

Joint Ventures:

Saab-Scania-Fairchild
Linkoping, Sweden
Farmingdale, New York

American Satellite Company
Sherman Fairchild Technology Center
20301 Century Boulevard
Germantown, Maryland 20767
(301) 428-0100

Space Communications Company
Upper Saddle River, New Jersey

Acquisition(s):

VSI Corporation
600 North Rosemead Blvd.
Pasadena, California 91107
(213) 351-8831

Manufactures aerospace fasteners, steel mold bases, one piece doorknobs, and hydraulic accumulators.

Transfer Agent(s):

The Chase Manhattan Bank N.A.
1 New York Plaza
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: FEN

Number of Employees:

1980	18,700	1977	9,500
1979	12,800	1976	7,850
1978	11,500		

Sales and Earnings

	Net Sales	Net Income +
1980	$906,230,000	$ 54,531,000
1979	701,803,000	42,486,000
1978	533,613,000	24,547,000
1977	390,214,000	9,572,261
1976	256,947,000	4,904,043

	No. of Com. Shares †	Earn. per Share # +
1980	12,877,325	$4.02
1979	12,576,170	3.41
1978	12,084,208	2.04
1977	11,615,462	0.82
1976	11,461,962	0.43

# Based on average number of shares outstanding adjusted to reflect stock splits.
† Adjusted to reflect stock splits.
+ Including extraordinary gain of $1,388,000 ($0.12 per share) in 1978.

Revenues By Line of Business
(000's)

	1980	1979
Gov't aerospace	$ 574,642	$ 493,071
Commercial aerospace	255,468	193,964
Aerospace fasteners	25,330	—
Tooling for plastics	15,153	—
General Industry	35,673	14,768
Total	$ 906,230	$ 701,803

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.69	—	2-for-1
1979	0.50	—	5-for-4
1978	0.30	—	—
1977	0.15	—	—
1976	0.12	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$188,926,000	$14.67
1979	138,611,000	11.02
1978	97,824,000	8.10
1977	73,602,622	6.34
1976	65,398,567	5.71

† Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 906,230	$ 701,803
Other income	10,171	4,500
Total Income	$ 916,401	$ 706,303
Cost of sales	738,642	567,920
Expenses	77,566	54,754
Interest expense	4,852	5,788
Income before taxes	$ 95,341	$ 77,841
Income taxes	40,810	35,355
Net Income	$ 54,531	$ 42,486

* Included in Costs and Expenses, Depreciation and Amortization: $10,190,000 in 1980 and $8,052,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 8,575	$ 35,420
Accts. & notes receiv., net	117,460	40,872
* Inventories	367,887	167,004
Prepaid expenses	3,706	6,122
Current Assets	$ 497,628	$ 249,418
Investments	76,345	52,888
# Fixed assets	148,110	46,728
Intangibles	83,987	951
Other assets	2,224	1,036
Total Assets	$ 808,294	$ 351,021

Liabilities
(000's)

Long-term debt, curr.	$ 38,008	$ 806
Accts. payable	109,538	48,386
Accruals	77,254	47,207
Advances	8,018	10,584
Income taxes	31,998	30,627
Curr. Liabilities	$ 264,816	$ 137,610
Long-term debt	105,374	20,172
Deferred income taxes	87,951	54,628
+ Redeemable pref. stock	161,227	—
+ + Common stock	16,795	10,210
Add. paid-in capital	33,399	29,025
Retained earnings	138,732	99,405
Treasury stock	—	(29)
Total Liabilities & Shareholders' Equity	$ 808,294	$ 351,021

* At lower of cost or estimated realizable value.
# Less accumulated depreciation and amortization.
+ No par value; $3.60 cumulative.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.52	11.09
%Net Income to Sales	6.02	6.05
%Net Income to Equity	28.86	30.65
Sales to Inventories	2.46	4.20
Working Capital	$232,812,000	$111,808,000
Current Ratio	1.88	1.81
Shareholders' Equity	$188,926,000	$138,611,000

Fansteel Inc.

(96% owned by H.K. Porter Company)

Number One Tantalum Place
North Chicago, Illinois 60064
(312) 689-4900

Officers: Edward P. Evans, chairman of the board; Keith R. Garrity, president; John H. Devlin, exec. v.p.; Robert A. Alukonis, v.p. & gen. mgr., VR/Wesson Div.; vice presidents; Conrad L. Brown-gen. mgr., Metals Div.; Edwin R. Clarke-employee relations; Arthur W. Dana-gen. mgr., Advanced Structures Div.; director; Robert W. McGinnis-gen. mgr., Electronic Products Div.; James G. Duggan, v.p., secretary; Carmin D. Dannible, v.p.-corp. operational analysis & general counsel; Stanley W. Lindroth, v.p. & controller; George W. Swanson, treasurer; Bruce W. Heath, asst. secretary.

Directors: John H. Devlin, Thomas M. Evans, Richard B. Ogilvie, Robert M. Drevs, Charles V. Emory, Edward P. Evans, John K. Foster, Keith R. Garrity, John R. Kountz.

Areas of Work: Manufactures refractory metals and fabricates high technology products for the automotive, appliance, metal working, mining, aerospace, recreational, electronic and chemical industries. Produces tantalum metal sheets, wire, foil, and powder. Other products lines include tungsten carbide cutting tools, refractory metal mill products, aerospace and aircraft engine components, chemical equipment, electronic materials, golf clubs, and electrical contracts.

Divisions:

Electronic Products Division
No. 1 Tantalum Place
North Chicago, Illinois 60064
(312) 689-4900

Manufactures tungsten, molybdenum, silver, and platinum-palladium electrical contacts and tungsten powder, rod and discs.

VR/Wesson Division
Waukegan and Lake Bluff, Illinois
Ferndale, Michigan
Lexington, Kentucky
Plantsville, Connecticut
Mississauga, Ontario, Canada

Carbide cutting tools, holding devices, mining tool bits, and tungsten-carbide wear parts.

Metals Division
Torrance, California 90501
North Chicago, Illinois 60064
Muskogee, Oklahoma 74401

Tantalum, columbium and other special metals; electronic-grade tantalum powder,and wire; chemical processing equipment.

Advanced Structures Division

Products and services include special material structures and fabrications primarily for aerospace/aircraft and liquid processing applications; golf clubs and graphite golf shafts.

Advance Casting
810 Lawrence Drive
Newbury Park, California 91320

California Drop Forge
1033 Alhambra Avenue
Los Angeles, California 90012
(213) 221-1134

Precision Sheet Metal
5235 W. 104th Street
Los Angeles, California 90045
(213) 670-1030

Pasco Gear & Machine, Inc.
2412 W. Durango
Phoenix, Arizona 85005

Transfer Agent(s):

Morgan Guaranty Trust Company
of New York
23 Wall Street
New York, New York 10015

Stock Exchange(s): Over-the-Counter

Ticker Symbol: FNL

Number of Employees:

1980	2,440	1977	2,254
1979	2,580	1976	2,435

Plant Footage:

1980	1,468,000 sq. ft.	1977	1,358,574
1979	1,358,574	1976	1,358,574

Sales and Earnings

	Net Sales	Net Income
1980	$ 250,797,970	$ 15,063,648
1979	178,889,647	9,867,600
1978	129,440,024	5,583,772
1977	116,230,544	4,293,736
1976	104,242,196	3,798,099

	No. of Com. Shares	Earn. per Share
1980	1,439,310	$10.46
1979	1,441,217	6.84
1978	1,443,142	3.86
1977	1,446,901	3.33
1976	1,497,407	2.49

Revenues By Line of Business

	1980	1979
Metal Producers	$ 133,109,649	$ 79,130,303
Industrial Tools	72,095,689	59,925,318
Metal Fabrications	45,592,632	39,834,026
Total	$ 250,797,970	$ 178,889,647

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$4.90	—	—
1979	2.80	—	—
1978	1.50	—	—
1977	1.25	—	—
1976	1.475	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 57,250,603	$39.78
1979	49,294,721	34.20
1978	43,508,670	30.15
1977	40,176,761	27.77
1976	38,122,784	25.46

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 250,797,970	$ 178,889,647
Cost of sales	194,764,042	144,484,506
Expenses	21,663,239	18,156,550
Research & develop.	2,448,521	1,539,108
Interest expense	1,033,065	598,438
Other expense (income)	1,636,455	(4,594,555)
Income before taxes	$ 29,252,648	$ 18,705,600
Income taxes	14,189,000	8,838,000
Net Income	$ 15,063,648	$ 9,867,600

* Included in Costs and Expenses, Depreciation: $4,615,366 in 1980 and $3,688,750 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 1,951,184	$ 1,939,030
Marketable securities	—	6,308,138
Accts. receiv., net	26,958,488	27,787,466
*Inventories	32,901,157	25,707,577
Prepaid expenses	992,245	972,776
Current Assets	$ 62,803,074	$ 62,714,987
#Fixed assets	27,154,550	20,750,520
Other assets	1,339,809	236,391
Total Assets	$ 91,297,433	$ 83,701,898

Liabilities

Long-term debt, curr.	$ 3,051,346	$ 2,113,219
Accts. payable	9,223,706	10,729,222
Accruals	11,611,208	11,227,558
Income taxes	5,102,475	3,455,919
Curr. Liabilities	$ 28,988,735	$ 27,525,918
Long-term debt:		
5½% conv. subord. notes	4,234,000	5,234,000
6¾% Promissory notes	600,000	1,200,000
Other	224,095	447,259
+Common stock	7,196,550	7,206,085
Add. paid-in capital	5,399,772	5,406,942
Retained earnings	44,654,281	36,681,694
Total Liabilities & Shareholders' Equity	$ 91,297,433	$ 83,701,898

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.66	10.46
%Net Income to Sales	6.01	5.52
%Net Income to Equity	26.31	20.02
Sales to Inventories	7.62	6.96
Working Capital	$ 33,814,339	$ 35,383,908
Current Ratio	2.17	2.26
Shareholders' Equity	$ 57,250,603	$ 49,294,721

Faradyne Electronics Corp.

140 Little Street
Belleville, New Jersey 07109
(201) 759-4667

Officers: Manuel Brucker, chairman & president; Solomon Feldman, treasurer; Irving Scheps, secretary.

Directors: Manuel Brucker, chairman; Solomon Feldman, Janice S. Birnbaum, Jay B. Birnbaum.

Areas of Work: Manufactures hermetic seals for the electronic industry; high temperature ceramics used as enclosures of electronic components; glass insulators.

Subsidiaries:

Mansol Ceramics Company
140 Little Street
Belleville, New Jersey 07109

Digipak Corporation
140 Little Street
Belleville, New Jersey

Transfer Agent(s):

Chemical Bank
New York, New York

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 2,811,635	$ 572,441
1979	2,752,825	430,188
1978	2,083,739	156,475
1977	1,936,592	172,933
1976	1,287,584	(186,078)

	No. of Com. Shares	Earn. per Share # ‡
1980	554,299	$1.03
1979	561,299	0.77
1978	564,599	0.28
1977	569,599	0.30

(Loss)
‡ Including extraordinary gains of $51,700 ($0.09 per share) in 1977.
# Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 3,121,123	$5.63
1979	2,560,932	4.56
1978	2,134,044	3.78
1977	1,981,944	3.48
1976	1,809,011	3.18

Income Account *

Year ended Jan. 31	1980	1979
Net sales	$ 2,811,635	$ 2,752,825
Other income	123,143	107,478
Total income	$ 2,934,778	$ 2,860,303
Cost of sales	1,632,203	1,535,285
Expenses	529,425	464,967
Interest expense	9,491	6,426
Minority interest	(77,260)	(20,063)
Gain on sale	(112,989)	—
Litigation settlement	(67,333)	—
Income before taxes	$ 1,021,241	$ 873,688
Income taxes	448,800	443,500
Net Income	$ 572,441	$ 430,188

*Included in Costs and Expenses, Depreciation and Amortization: $135,273 in 1980 and $120,986 in 1979.

Assets

As of Jan. 31	1980	1979
Cash	$ 412,629	$ 504,060
Investments	939,003	623,770
Accts. receiv., net	303,500	252,934
*Inventories	295,550	227,599
Other assets	23,374	22,451
Current Assets	$ 1,974,056	$ 1,630,814
# Fixed assets	703,658	577,748
Other assets	542,968	667,548
Real estate	280,062	287,567
Total Assets	$ 3,500,744	$ 3,163,677

Liabilities

	1980	1979
Long-term debt, curr.	$ 23,040	$ 69,511
Accts. payable	76,521	79,981
Accruals	63,982	49,485
Taxes payable	84,277	304,137
Curr. Liabilities	$ 247,820	$ 503,114
Long-term debt	78,520	—
Deferred inc.taxes	53,281	95,381
Other liabilities	—	4,250
+ Common stock	28,696	28,696
Add. paid-in capital	1,429,024	1,429,024
Retained earnings	1,688,406	1,115,965
Treasury stock	(25,003)	(12,753)
Total Liabilities & Shareholders' Equity	$ 3,500,744	$ 3,163,677

*At lower of cost (FIFO and average) or market.
# Less accumulated depreciation and amortization.
+ $0.05 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	36.32	31.74
%Net Income to Sales	20.36	15.63
%Net Income to Equity	18.34	16.80
Sales to Inventories	9.51	12.10
Working Capital	$ 1,726,236	$ 1,127,700
Current Ratio	7.97	3.24
Shareholders' Equity	$ 3,121,123	$ 2,560,932

Federated Purchaser, Inc.

155 U.S. Route 22
Springfield, New Jersey 07081
(201) 376-8900

1112 Airport Road
Allentown, Pennsylvania 18103
(215) 437-4481

Officers: Harry J. Fallon, president; Anthony D. Carbone, vice president-retail marketing & secretary; Steven J. Jordan, vice president-industrial marketing; Jane A. Christy, v.p.-operations.

Directors: Arthur C. Kammerman, chairman; Edmond L. Hoener, Harry J. Fallon.

Areas of Work: Engaged in the marketing of electronic parts, components and equipment to industrial and retail customers. To its industrial customers the company sells a broad range of products including semi-conductors, wire, transformers, relay systems, capacitors and electronic tubes. The principal products marketed by the company to retail customers are home entertainment equipment including stereo systems, tape recorders, speakers, radios and related accessories. The company markets its retail products through two stores located in Springfield, New Jersey and Allentown, Pennsylvania. Industrial products are marketed directly by Federated's sales personnel from both locations and in the field.

Transfer Agent(s):

The National State Bank
Elizabeth, New Jersey

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	33	1978	38
1979	33	1977	37

Sales and Earnings

	Net Sales	Net Income #
1980	$ 6,277,706	$ 265,513
1979	5,172,726	177,437
1978	4,534,768	116,840
1977	4,301,534	110,222
1976	3,535,847	125,095

	No. of Com. Shares +	Earn. per Share + #
1980	1,078,051	$0.25
1979	1,081,515	0.16
1978	1,081,328	0.11
1977	1,044,665	0.11
1976	1,001,790	0.12

+ Based on the weighted average number of shares outstanding adjusted to reflect stock split.
# Including extraordinary gain of $45,392 ($0.04 per share) in 1976.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.04	—	5-for-4
1979	0.04	—	—
1978	0.04	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 1,603,337	$1.49
1979	1,400,805	1.30
1978	1,270,484	1.17
1977	1,195,517	1.14
1976	1,072,795	1.07

+ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Income Account

Year ended October 31	1980	1979
Net sales	$ 6,277,706	$ 5,172,726
Cost of Sales	4,611,531	3,821,488
Expenses	1,265,372	1,075,169
Depreciation	21,137	15,772
Interest expense	3,877	2,836
Other income	(134,824)	(69,686)
Income before taxes	$ 510,613	$ 327,147
Income taxes	245,100	149,710
Net Income	$ 265,513	$ 177,437

Assets

As of October 31	1980	1979
Cash	$ 13,020	$ 86,091
Cert. of deposit	750,000	375,000
Accts. receiv., net	604,382	499,889
* Inventories	805,792	841,294
Prepaid expenses	12,623	7,150
Current Assets	$ 2,185,817	$ 1,809,424
# Fixed assets	55,843	72,405
Total Assets	$ 2,241,660	$ 1,881,829

Liabilities

	1980	1979
Long-term debt, curr.	$ 13,970	$ 12,337
Accts. payable	310,410	279,512
Accruals	227,118	124,911
Income taxes	77,834	41,305
Curr. Liabilities	$ 629,332	$ 458,065
Long-term debt	8,991	22,959
+ Common stock	109,876	108,151
Add. paid-in capital	1,708,259	1,698,319
Deficit	(177,917)	(399,480)
Treasury stock	(36,881)	(6,185)
Total Liablities & Shareholders' Equity	$ 2,241,660	$ 1,881,829

* At lower of cost (FIFO) or market.
# Less accumulated depreciaton.
+ $0.10 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	8.13	6.32
%Net Income to Sales	4.23	3.43
%Net Income to Equity	16.56	12.67
Sales to Inventories	7.79	6.15
Working Capital	$ 1,556,485	$ 1,351,359
Current Ratio	3.47	3.95
Shareholders' Equity	$ 1,603,337	$ 1,400,805

Ferronics Incorporated

60 North Lincoln Road
East Rochester, New York 14445
(716) 377-6820

Officers: Roger Woodward, chairman of the board & treasurer; Walter A. Zarris, president; John Stettinius, v.p.-research and development; Mark Northrup, v.p. Ferrite Div.;Gerald B. Fincke, secretary; Frank Shepard, controller & asst. treasurer.

Directors: Frank A. Steinhiper, Howard Fallmezger, Jan B. Kennedy, Roger Woodward, Walter Zarris, Nicholas C. Gagliano.

Areas of Work: Engaged in the manufacture of ceramic magnetic materials known as ferrites and in the shaping of these materials into devices used in electronic circuitry. Also manufactures transducers for rotating memory devices.

Divisions:

Ferrite Division
East Rochester, New York

Data Materials Division
Springfield, Vermont

Transfer Agent(s):

American Stock Transfer Company
44 Beaver Street
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	50	1977	65
1979	95	1976	68
1978	65		

Plant Footage:

1980	28,000 sq.ft.	1977	28,000
1979	28,000	1976	23,000
1978	28,000		

Sales and Earnings

	Net Sales	Net Income +
1980	$ 2,056,000	$ 87,000
1979	1,980,000	(101,000)
1978	1,860,000	149,000
1977	1,123,000	(68,000)
1976	1,121,000	(233,000)

	No. of Com. Shares	Earn. per Share +
1980	1,685,780	$0.05
1979	1,685,780	—
1978	1,685,780	0.09
1977	1,685,780	—
1976	1,685,780	—

(Loss)
+ Including extraordinary gains of $16,000 ($0.01 per share) in 1980 and $9,000($0.01 per share) in 1978.

Common Stock Equity

	'Total Equity	Equity Per Share
1980	$ 324,972	$0.19
1979	237,908	0.14
1978	339,305	0.20
1977	190,671	0.11
1976	259,014	0.15

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 2,056,416	$ 1,980,433
Cost of sales	1,461,604	1,545,347
Expenses	412,893	478,010
Interest expense	84,446	58,473
Income (loss) before taxes	$ 97,473	$ (101,397)
Income taxes	26,409	—
Net Income (Loss)	$ 71,064	$ (101,397)
Extraord. gain	16,000	—
Net Income (Loss) & extraord. gain	$ 87,064	$ (101,397)

* Included in Costs and Expenses, Depreciation and Amortization: $112,392 in 1980 and $101,776 in 1979.

Assets

	1980	1979
Cash	$ 8,364	$ 5,864
Accts. receiv., net	356,363	361,511
* Inventories	350,065	322,727
Prepaid expenses	18,481	13,149
Current Assets	$ 733,273	$ 703,251
# Fixed assets	332,931	334,117
Other assets	64,151	57,853
Total Assets	$ 1,130,335	$ 1,095,221

Liabilities

Long-term debt, curr.	$ 85,632	$ 138,594
Accts. payable	132,779	183,968
Accruals	93,555	74,210
Curr. Liabilities	$ 311,966	$ 396,772
Long-term debt	493,417	460,541
+ Common stock	168,578	168,578
Add. paid-in capital	677,516	677,516
Retained earnings (deficit)	(521,122)	(608,186)
Total Liabilities & Shareholders' Equity	$ 1,130,355	$ 1,095,221

* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.74	—
%Net Income to Sales	3.46	—
%Net Income to Equity	21.87	—
Sales to Inventories	5.87	6.14
Working Capital	$ 421,307	$ 306,479
Current Ratio	2.35	1.77
Shareholders' Equity	$ 324,972	$ 237,908

Fifth Dimension Inc.

801 New York Avenue
Trenton, New Jersey 08638
(609) 393-8350

Officers: Sheldon Bitko, vice president-research & development; William D. Kinney, vice president-marketing; Alfred R. Senni, vice president-manufacturing; Elaine H. Cain, secretary.

Directors: David Ginsburg, Frederick J. Grunwald, Charles Wohlstetter, Charles Davidoff, Frederick C. Scherer.

Areas of Work: The Company's business falls into two broad groups; manufacture of telemetry equipment and of components. The principal products of the telemetry group include electronic and electromechanical signal commutators sometimes coupled with analog to digital converters. These devices are used to gather and process electrical information over long distances from different sources, code the information so that it can be transmitted over a single wire pair or radio frequency link and decode it at its terminal. The primary market for this type of equipment is the defense and the aero-space industries; secondary markets are the Atomic Energy Commission and other private industries. The principal products of the components group include a family of mercury film switches and relays (sold under the name LOGCELL, or more specifically LC1 AND LC2). These products are sold mostly to industrial users.

Transfer Agent(s):

American Stock Transfer Company
New York, New York

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	45	1977	35
1979	40	1976	72
1978	35		

Plant Footage:

1980	18,000 sq. ft.	1977	8,000
1979	8,000	1976	8,000
1978	8,000		

Sales and Earnings

	Net Sales	Net Income †
1980	$ 1,174,084	$ 732
1979	971,627	21,152
1978*	777,836	20,374
1977	784,845	(76,614)
1976	1,381,774	191,662

	No. of Com. Shares ‡	Earn. per Share ‡†
1980	635,495	$ —
1979	616,870	0.03
1978	616,870	0.03
1977	616,870	—
1976	616,860	0.30

(Loss)
*53 weeks.
† Including extraordinary gain of $70,000 ($0.11 per share) in 1976 and extraordinary loss of $13,000 ($0.03 per share) in 1979.
‡ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 131,355	$0.21
1979	121,310	0.20
1978	100,158	0.16
1977	79,784	0.13
1976	157,898	0.26

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 1,174,084	$ 971,627
Cost of sales	768,480	610,434
Expenses	417,203	323,039
Other expense (income)	(12,404)	2,070
Income before taxes	$ 805	$ 36,084
Income taxes	73	1,932
Net Income	$ 732	$ 34,152
Extraord. loss	—	13,000
Net Income & Extraord. loss	$ 732	$ 21,152

*Included in Costs and Expenses, Depreciation and Amortization: $21,215 in 1980 and $22,470 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 6,529	$ 29,416
Accts. receiv., net	249,315	177,341
*Inventories	296,798	190,134
Prepaid expenses	42,308	11,541
Current Assets	$ 594,950	$ 408,432
# Fixed assets	135,491	32,875
Other assets	4,801	4,010
Total Assets	$ 735,242	$ 445,317

Liabilities

Notes payable	$ 16,669	$ 154,333
Accts. payable	187,310	97,133
Accruals	66,864	63,784
State income taxes	73	811
Curr. Liabilities	$ 270,916	$ 316,061
Note payable	332,971	7,946
+ Common stock	327,435	308,810
Add. paid-in capital	291,165	300,477
Deficit	(486,917)	(487,649)
Treasury stock	(328)	(328)
Total Liabilities & Shareholders' Equity	$ 735,242	$ 445,317

*At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.07	3.71
%Net Income to Sales	0.06	3.51
%Net Income to Equity	0.56	28.15
Sale to Inventories	3.96	5.11
Working Capital	$ 324,034	$ 92,371
Current Ratio	2.20	1.29
Shareholders' Equity	$ 131,355	$ 121,310

Figgie International Inc.

(formerly A-T-O Inc.)

4420 Sherwin Road
Willoughby, Ohio 44094
(216) 946-9000

Officers: Harry E. Figgie, Jr., chairman of the board and chief executive officer; A.V. Gangnes, president; R.W. Patterson, L.J. Barbee, William G. Gilmore, sr. v.p.'s; James W. Tardiff, sr. v.p.-finance & controller; James S. Anderson, vice president-industrial relations; John M. Fitzpatrick, v.p.-govt. relations; Gary O. Haglund, vice president; L.A. Harthun, vice president, general counsel & secretary; Eugene R. Hogg, William F. MacMullen, John W. Partridge, group v.p.'s.

Directors: Harry E. Figgie, Jr., Dale S. Coenen, Ewing T. Boles, F.S. Cornell, Alfred V. Gangnes, Paul F. Hellmuth, Gerald K. Rugger, Walter M. Vannoy, Russell W. McFall,Harrison Nesbit, II, Hans Ulrich Rinderknecht, Raymond E. Rossman, Harold B. Scott, Robert A. Weaver, Jr.

Areas of Work: Comprised of 30 principal divisions and subsidiaries, A-T-O's business can be grouped into six areas: -consumer & recreation products; fire protection/safety/security; food products machinery; material handling, mining and construction equipment; other industrial products, and technical products.

Divisions and Subsidiaries:

Technical Products Group

Interstate Electronics
707 East Vermont Avenue
Anaheim, Caifornia 92805
(714) 635-7210
Voice data entry computer terminals; Plasma display terminals; Function and pulse generators; Military command and control display systems; Signal processing systems; Off shore oil platform data systems; Environmental surveys and services; Instrumentation and missile tracking systems.

Hartman Electrical Manufacturing
175 North Diamond Street
Mansfield, Ohio 44902
(419) 524-1411
Electrical power switching and solid state controls. Contractors, relays and protective devices.

Hartman Systems
360 Wolf Hill Road
Huntington Station, L.I., New York 11746
(516) 427-7500
Fully integrated electronic systems and products for government and industry; Military display systems; Command and control systems; Telecommunication systems; Telephone management system.

Rusco Electronic Systems
Glendale, California 91201
(213) 240-2540
Electronic Cardentry access controls, copy machine and fuel-control monitoring systems. Time and attendance data collection, labor-distribution and food-service and parking control systems. Bank and identification cards.

Consumer Products Group

Loomtogs
New York, New York 10018
Designer, manufacturer and marketer of ladies', men's, and children's active sportswear, especially partication clothing for tennis and racket spots, golf and yachting.

Rawlings Sporting Goods
2300 Delmar Boulevard
St. Louis, Missouri 53166
(314) 241-2900
Full line of sports equipment for baseball, football, basktball, soccer, boxing, badminton, golf, hockey, tennis and wrestling. Uniforms, jackets and shoes.

Fred Perry Sportswear Ltd.
New York, New York 10018
Designer, manufacturer and worldwide marketer of high fashion tennis clothing and sports apparel.

Interstate Engineering
522 East Vermont Avenue
Anaheim, California 92805
(714) 772-2811
Residential smoke detectors and fire alarms. Compact home vacuum cleaners. Wireless IEC Security System. Aluminum and zinc die castings.

Oliver Sportsgoods Pty. Ltd.
Camden Park, S.A., Australia
Manufacturer of tennis rackets, squash rackets, paddle games. Racket stringing machines. Badminton equipment. Croquet equipment.

Rawlings Golf
Jupiter, Florida 33458
(305) 746-5146
Golf clubs under the Toney Penna, Rawlings, Omega and Lee Trevino brand names. Toney Penna DB, Omega and Lee Trevino golf balls. Parker golf gloves.

Texace Corporation
San Antonio, Texas 78285
(512) 227-7551
Designer and manufacturer of fashion-styled sports headwear. Hats and caps for golf and tennis.

Thermometer Corporation of America
Springfield, Ohio 45505
(513) 325-0456
Thermometers, hydrometers, humidity and weather instruments. Tru-Temp thermometers and cooking instruments.

Industrial Products Group

Advance Security
Atlanta, Georgia 30326
(404) 231-1210
Security consultation. Uniformed security guards. Fire, safety, security systems and equipment. Industrial and business investigative service. Large area protection.

American LaFrance
100 East LaFrance Street
Elmira, New York 14902
(607) 734-8181
Custom fire engines, including pumpers, ladder trucks and aerial platforms, fire extinguishers, fire hose and brass goods.

"Automatic" Sprinkler Corp. of America
P.O. Box 180
Cleveland, Ohio 44147
(216) 526-9900
Sprinkler systems; control valves; sprinkler heads; spray nozzles; "Rate-of-Rise" and electric detection systems; electric control panels; alarms; hydraulically calculated and special hazards fire protection systems. Fabrication, inspection and maintenance services; Range Guard fire extinguishing systems.

Badger-Powhatan
Charlottesville, Virginia 22906
(804) 973-4361
Chemical engines, Portable water, carbon dioxide, and dry chemical fire extinguishers. Halon systems, Range hoods, "Blaze Guard" fire hose and couplings, Brassproducts for fire protection, industrial and municipal applications.

Scott Aviation
225 Erie Street
Lancaster, New York 14086
(716) 683-5100
Oxygen and air breathing systems, light aircraft accessories. Solid-state oxygen. Gas masks and respiratory devices. Gas analyzers and alarms. Air pollution detection and control eqipment. Safety and first aid equipment.

Snorkel Fire Equipment
St. Joseph, Missouri 64504
(913) 989-4481
Aerial type water delivery systems for fire fighting apparatus. Articulated andtelescopic booms, extendable ladders and aerial platforms.

Food Products Machinery Group

Consoliated Packaging Machinery
Alden, New York 14004
(716) 937-3361
High-speed automatic capping equipment for bottles, cans and other containers; crimpers; cotton stuffers; scales; bagclosers; gravity; gravity paper bag fillers and closers.

Geo. J. Meyer Manufacturing
Milwakee, Wisconsin 53110
(414) 747-6222
Packaging and bottling equipment. Labeling machinery. Case palletizers. Bottle rinsing and inspection equipment.

Industrial Group

A-T-O Construction Equipment
Charleston, South Carolina 29411
(803) 797-5300
Road building and construction equipment, huber motor graders, rollers and maintainers. Scott hydraulic cranes. Smith truck-mounted turbine and tilter concretemixers.

Essick/Hadco Manufacturing
1950 Santa Fe Avenue
Los Angeles, California 90021
(213) 629-3341
Vibrating and static road rollers. Plaster, mortar and concrete mixers. Material pumps. Air compressors. Emulsion sprayers. Trailer running gear. Ground handling assemblies.

Kersey Manufacturing
P.O. Box 151
Bluefield, Virginia 24605
(703) 326-1121
Battery-powered tractors, scoops, supply cars, coal cars, hydraulic self-unloading cars, battery chargers; batteries and motors for underground coal mining.

Logan
P.O. Box 6107
Louisville, Kentucky 40206
(502) 587-1461
Conveyor equipment and material handling systems. Wire partitions and window guards, folding gates. Spiral stairs and ornamental iron-work. Automated package and parcel sorting systems.

Safway Steel Products
6228 West State Street
Milwaukee, Wisconsin 53201
(414) 258-2700
Steel scaffolding and shoring systems. Portable bleachers. Powered mobile platforms and swing stages.

Other Products Group

A-T-O Hydraulic Products
Columbus, Ohio 43215
(614) 224-3394
Hydraulic pumps, motors and parts; blowers; hydralic valves, snow plow rams andprecision machine products; custom gears for mining, construction and hydraulicequipment.

Fee & Mason
Manasquan, New Jersey 08736
(201) 223-3000
Pipe hanger; pre-formed channel, framing and accessories; engineered pipe suspension systems; anchoring devices and fasteners; pressurized well-water tanks.

Kline Foundries
Alburtis, Pennsylvaia 18011
(215) 966-3966
Gray, ductile and malleable iron castings for transpotation, heating, refrigeration, power transmission and construction.

Tiffin Metal Products
Tiffin, Ohio 44883
(419) 447-8414

Steel cabs for off-highway and agricultural vehicles; metal stampings; steel cabinets and coin-operated lockers; outdoor advertising signs.

Western Reserve Container
Painesville, Ohio 44077
(216) 946-8464

Corrugated shipping containers; die cut corrugated inserts for product protection; point-of-sale corrugated floor and counter-top displays; protective inserts.

Other Services

A-T-O Acceptance Corporation
Willoughby, Ohio

A-T-O Communications Inc.
Los Angeles, California

A-T-O Properties Inc.
Willoughby, Ohio

Waite Hill Assurance Ltd.
Hamilton 5, Bermuda

A-T-O Resources
A-T-O Systems Management Group
A-T-O Leasing Corporation

Waite Hill Services, Inc.
Atlanta, Georgia

International Operations Group

Geo. J. Meyer (Australia) Pty. Ltd.
Oliver Sportsgoods Pty. Ltd.
Australia

"Automatic" Sprinkler Belgium N.V.
Belgium

A-T-O do Brasil Industria e Comercio Ltda.
Brazil

Auto-Sentry Fire Protection Systems Ltd.
Geo. J. Meyer Mfg. Canada Ltd.
Sherwood-Drolet Corp. Ltd.
Thermometer Corporation of Canada Ltd.
Adirondack-Sherwood, Inc.
Canada

ASCOA "Automatic" Sprinkler G.m.b.H.
Germany

Rawlins-Caribe S.A.
Rawlins-Haiti S.A.
Haiti

"Automatic" Sprinkler Italiana S.p.A.
Italy

Geo. J. Meyer de Mexico S.A. de C.V.
Mexico

ASCOA "Automatic" Sprinkler Nederland B.V.
Netherlands

Fred Perry Sportswear Ltd.
Meyer Dumore International
United Kingdom

Transfer Agent(s):

The First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02102

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: FIG

Number of Employees:

1980	16,300	1977	16,874
1979	16,820	1976	17,795
1978	16,850		

Sales and Earnings

	Net Sales	Net Income
1980	$ 759,562,000	$ 20,605,000
1979	690,748,000	17,553,000
1978	628,358,000	15,500,000
1977	567,992,000	11,530,000
1976	518,472,000	13,126,000

	No. of Com. Shares	Earn. per Share #
1980	5,922,087	$3.20
1979	5,884,777	2.70
1978	5,887,939	2.33
1977	5,900,944	1.60
1976	6,383,934	1.75

# Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Consumer	$ 145,060	$ 127,920
Fire Protection/ Safety	244,231	205,715
Machinery & Products	216,673	225,255
Technical	120,088	101,926
Services	33,510	29,932
Total	$ 759,562	$ 690,748

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.60	—	—
1979	0.50	—	—
1978	0.46	—	—
1977	0.40	—	—
1976	0.26	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$ 148,740,000	$25.12
1979	132,172,000	22.46
1978	119,517,000	20.30

‡ After allowing for non-redeemable preferred stock at stated value.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 759,562	$ 690,748
Other income	11,875	8,951
Total income	$ 771,437	$ 699,699
Cost of sales	585,252	532,318
Expenses	122,928	112,572
Interest expense	23,002	21,056
Income before taxes	$ 40,255	$ 33,753
Income taxes	19,650	16,200
Net Income	$ 20,605	$ 17,553

* Included in Costs and Expenses, Depreciation and Amortization: $17,956,000 in 1980 and $16,106,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 10,550	$ 7,018
Accts. & notes receiv., net	143,748	146,393
* Inventories	159,755	157,957
Prepaid expenses	4,308	5,098
Current Assets	$ 318,361	$ 316,466
# Fixed assets	107,884	105,262
Other assets	56,386	54,464
Lease prop. under cap. leases	2,814	2,119
Total Assets	$ 485,445	$ 478,311

Liabilities
(000's)

Notes payable	$ 33,295	$ 42,096
Long-term debt, cur.	14,954	14,981
Accts. payable	37,013	43,306
Accruals	40,289	34,570
Income taxes	15,493	7,741
Curr. Liabilities	$ 141,044	$ 142,694
Long-term debt.	139,500	145,059
Deferred liabilities	9,707	9,803
Deferred inc. taxes	32,020	33,865
Redeem. Pref. stock	1,606	896
+ Serial Preference stock	4,615	4,741
+ + Preference stock	8,213	9,081
+ + + Common stock	592	588
Add. paid-in capital	2,796	2,027
Retained earnings	146,855	131,760
Less unearned compen. rel. to Restricted Stock pur. plan	(1,503)	(2,203)
Total Liabilities & Shareholders' Equity	$ 485,445	$ 478,311

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $100 par value.
+ + $1 par value.
+ + + $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.30	4.89
%Net Income to Sales	2.71	2.54
%Net Income to Equity	12.75	12.02
Sales to Inventories	4.75	4.37
Working Capital	$ 177,317,000	$ 173,772,000
Current Ratio	2.26	2.22
Shareholders' Equity	$ 161,568,000	$ 145,994,000

Finnigan Corporation

845 W. Maude Avenue
Sunnyvale, California 94086
(408) 732-0940

Officers: T.Z. Chu, chairman of the board, president & chief financial officer; Robert E. Finnigan, vice chairman & sr. v.p.; Joseph R. Hohmann, exec. v.p.-operations; Ronald J. Miller, v.p.-human resources; George L. Jordan, v.p. & pres., Disc Instruments, Inc.; F. Judson Mitchell, v.p. & chief financial officer; Antonio M. Rodrigues, v.p. & gen. mgr.-Sunnyvale Div.; Henry P. Massey, Jr., secretary & general counsel; David J. Sutton, treasurer & asst. secretary.

Directors: T.Z. Chu, chairman of the board; Alexander D. Cross, Robert E. Finnigan, Warren J. Bowles, Charles P. Neidig, Henry E. Riggs, Roger W. Sant, R.C. Mercure, Jr.

Areas of Work: Manufactures and sells high-technology products, which include: gas chromatography/mass spectrometry analytical instruments; shaft encoders and precision mechanical subsystems for scientific instruments. Products are used in pharmaceutical and biomedical, pollution measurement, forensic science and industrial process control fields.

Divisions and Subsidiaries:

The Sunnyvale Division
845 W. Maude Avenue
Sunnyvale, California 94086
(408) 732-0940

Disc Instruments, Inc.
102 East Baker Street
Costa Mesa, California 92626
(714) 979-5300

Finnigan A.G.
Pfeffingerstrasse 41
4002 Basel, Switzerland

Finnigan Corporation

Finnigan GmbH
Benzstrasse 28
8031 Puchheim
Federal Republic of Germany

Finnigan MAT GmbH
Barkhausenstrasse 2
P.O. Box 14 40 62
2800 Bremen
Federal Republic of Germany

Finnigan Instruments Ltd.
Paradise
Hemel Hempstead, Herts.
United Kingdom

Finnigan Institute Division
Triangle Park Drive
Cincinnati, Ohio 45246
(513) 772-5500

Finnigan International Sales Inc.
Responsible for all international marketing and manufacturing activities, which include the operations of subsidiaries in the United Kingdom, West Germany and Switzerland, a liaison office in Japan, and an export office in Sunnyvale, California.

The Customer Services Division
Responsible for all after-sale services functions, including the parts center operation, field engineering, and technical support activities.

Transfer Agent(s):

Wells Fargo Bank, National Association
San Francisco, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: FNNG (NASDAQ)

Number of Employees:

1980	649	1977	428
1979	704	1976	368
1978	525		

Plant Footage:

1980	139,000 sq. ft.	1977	100,000
1979	139,000	1976	42,000
1978	131,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 43,227,000	$ 1,655,000
1979	39,124,000	1,619,000†
1978	29,987,000	1,679,000
1977	22,374,000	1,090,000
1976	16,097,000	430,000

	No. of Com. Shares #	Earn. per Share ‡#
1980	3,410,000	$0.49
1979	3,274,000	0.49†
1978	3,218,000	0.52
1977	3,112,000	0.35
1976	3,060,000	0.14

‡ Including extraordinary gain of $90,000 ($0.03 per share) in 1976.
† Restated to adjust for incorrect inventory valuation.
# Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1980	1979
Spectrometer products	$ 37,203,000	$ 33,675,000
Optical encoders	6,024,000	5,449,000
Total	$ 43,227,000	$ 39,124,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	2-for-1
1979	—	—	—
1978	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 15,083,000	$4.42
1979	10,682,000 †	3.26
1978	8,838,000	2.75
1977	6,934,000	2.23
1976	5,716,000	1.87

† Restated.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1980	1979 ‡
Net sales	$ 43,227,000	$ 39,124,000
Cost of sales	25,159,000	21,397,000
Expenses	11,472,000	11,624,000
Research & develop.	2,852,000	2,485,000
Interest expense	986,000	736,000
Income before taxes	$ 2,758,000	$ 2,882,000
Income taxes	1,103,000	1,263,000
Net Income	$ 1,655,000	$ 1,619,000

* Included in Costs and Expenses, Depreciation and Amortization: $519,000 in 1980 and $417,000 in 1979.
‡ Restated.

Assets

As of Dec. 31	1980	1979 ‡
Cash	$ 554,000	$ 345,000
Short-term invest.	500,000	—
Accts. receiv., nt	11,278,000	11,893,000
*Inventories	12,211,000	10,842,000
Prepaid taxes	119,000	71,000
Prepaid expenses	117,000	192,000
Current Assets	$ 24,779,000	$ 23,343,000
#Fixed assets	2,235,000	2,363,000
Other assets	789,000	754,000
Total Assets	$ 27,803,000	$ 26,460,000

Liabilities

Notes payable	$ 1,286,000	$ 3,432,000
Accts. payable	2,994,000	2,914,000
Accruals	2,094,000	1,913,000
Accrued payroll	1,158,000	1,414,000
Accrued income taxes	843,000	118,000
Cust. deposits	1,441,000	272,000
Curr. Liabilities	$ 9,816,000	$ 10,063,000
Long-term debt	1,739,000	4,755,000
Deferred inc. taxes	1,165,000	960,000
+ Common stock	8,005,000	5,259,000
Retained earnings	7,078,000	5,423,000
Total Liabilities & Shareholders' Equity	$ 27,803,000	$ 26,460,000

‡ Restated.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	6.38	7.37
%Net Income to Sales	3.83	4.14
%Net Income to Equity	10.97	15.16
Sales to Inventories	3.54	3.61
Working Capital	$ 14,963,000	$ 13,280,000
Current Ratio	2.52	2.32
Shareholders' Equity	$ 15,083,000	$ 10,682,000

Fischer & Porter Company

County Line Road
Warminster, Pennsylvania 18974
(215) 674-6000

Officers: Jay H. Tolson, chairman of the board & president; Charles P. Rohmann, vice-chairman & secretary; David J. Nessim, sr. v.p.-intl. operations; Harry L. Peters, sr. v.p.-engineering; Robert S. Peterson, sr. v.p.-marketing; William J. Eckenrode, sr. v.p.-finance & treasurer; Frank P. Houpt, Joseph T. DeLago, asst. secretaries; Joseph A. Gaudiosi, asst. treasurer.

Directors: Jay H. Tolson, chairman; Gloria T. Chisum, Charles P. Rohmann, John W. Boyer, Jr., Nathaniel Brewer, David J. Nessim, Frank K. Kelemen, Louis G.L. Thomas, Julius H. Tolson, W. Deming Lewis.

Areas of Work: Designs, engineers, manufactures and sells process control instruments, equipment and systems, including maintenance services and replacement parts for the measurement, recording and control of the flow of liquids and gases for municipal and industrial water, waste water, and sewage treatment and distribution; and for industrial process control in the petrochemical, pulp and paper, food, metal, mining, electrical power generation, marine and aerospace industries. Products include flow measurement instruments and instruments of a mechanical, electronic and pneumatic type, analytical instruments and chlorinators. Manufactures and sells laboratory industrial glass products, fiberglass products, and alloy steel castings.

Subsidiaries:

Andrews Glass Company, Inc.
North West Boulevard & Weymouth Road
Vineland, New Jersey 08360

Furlong Promotions, Inc.
P.O. Box 128
Warminster, Pennsylvania 18974

Warminster Fiberglass Company
Box 188-County Line Road
Southampton, Pennsylvania 18974

Alloy Steel Casting Company
County Line Road
Southampton, Pennsylvania 18974

Fischer & Porter Worldwide, Inc. (DISC)
Wilmington, Delaware

Fischer & Porter U.S. Instrument Co.
Warminster, Pennsylvania

Lab-Crest Scientific Glass Company
Warminster, Pennsylvania

Fisher & Porter Pty. Limited
Melbourne, Australia

Fischer & Porter Hokushin do Brasil
Rua Pachoal Paes, 71
Sao Paulo, Brazil

Fischer & Porter (Canada) Limited
134 Norfinch Drive
P.O. Box 135
Toronto, Ontario, Canada

Fischer & Porter Limited
Salterbeck Trading Estate
Workington, Cumberland, England

Otic-Fischer & Porter
151 Fis Avenue de la Liberation
Clermont-Ferrand, France

Fischer & Porter (Israel) Ltd.
39 Wolfson Street
Tel-Aviv, Israel

Fischer & Porter GmbH
34 Goettingen, Gross Ellershausen
Postfach 701, West Germany

Fischer & Porter Italiana, S.p.A.
Via G. de Vittorio 3072
20099 Sesto San Giovanni
Milan, Italy

Fischer & Porter B.V.
P.O. Box 282
Blankenweg 22
Arnhem, Netherlands

Fischer & Porter Iberica S.A.
Saturmino Celleja 1
Madrid, Spain

Fischer & Porter Ges.m.b.H.
Vienna, Austria

Fischer & Porter, Belgium N.V.
Antwerp, Belgium

Fischer & Porter AB
Stockholm, Sweden

OY Fisher & Porter AB
Helsinki, Finland

Fispo, S.A.
Mexico City, Mexico

Transfer Agent(s):

Girard Bank
Philadelphia, Pennsylvania

Stock Exchange(s): American

Ticker Symbol: FP

Number of Employees:

1980	4,029	1977	4,446
1979	4,399	1976	4,293
1978	4,545		

Plant Footage:

1980	1,009,000 sq. ft.	1977	1,009,000
1979	1,009,000	1976	1,009,000
1977	1,009,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 185,212,000	$ 1,147,000
1979	165,115,000	(799,000)
1978	148,276,000	4,639,000
1977	133,129,000	4,503,000
1976	131,535,000	5,659,000

	No. of Com. Shares +	Earn. per Share ‡ +
1980	2,826,000	$0.41
1979	2,773,000	—
1978	2,731,000	1.70
1977	2,684,000	1.68
1976	2,648,000	2.14

(Loss)

‡ Including extraordinary gains of $124,000 ($0.04 per share) in 1978, $92,000 ($0.04 per share) in 1977 and $255,000 ($0.10 per share) in 1976.

+ Based on the monthly weighted average number of common and Class B common shares outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1980	1979
Process control	$ 170,200,000	$ 151,873,000
Other	15,012,000	13,242,000
Total	$ 185,212,000	$ 165,115,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	5%	—
1979	—	5%	—
1978	—	5%	—
1977	—	5%	—

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 55,625,000	$19.51
1979	53,934,000	19.32
1978	54,174,000	19.78
1977	48,954,000	18.26
1976	44,124,000	16.69

+ Based on weighted average number of common and Class B common shares outstanding adjusted to reflect stock dividends.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 185,212	$ 165,115
Cost of sales	129,936	117,103
Expenses	44,244	41,642
Oper. profit	$ 11,032	$ 6,370
Foreign exchange (gain)	(448)	(273)
Interest expense	7,084	5,332
Income before taxes	$ 4,396	$ 1,311
Income taxes	3,249	2,110
Net Income (Loss)	$ 1,147	$ (799)

* Included in Costs and Expenses, Depreciation and Amortization: $3,263,000 in 1980 and $3,162,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 2,999	$ 745
Receiv., net	41,861	47,117
* Inventories	67,450	65,319
Prepaid expenses	1,221	2,024
Current Assets	$ 113,531	$ 115,205
# Fixed assets	23,407	22,837
Other assets	2,523	1,680
Total Assets	$ 139,461	$ 139,722

Liabilities
(000's)

Notes payable	$ 14,553	$ 12,580
Long-term debt, curr.	4,002	3,504
Accts. payable	13,842	14,621
Accruals	5,153	5,258
Accrued payroll	5,425	5,997
Income taxes	1,842	2,069
Curr. Liabilities	$ 44,817	$ 44,029
Long-term debt	35,432	37,562
Minority interest	444	1,139
Other liab.	3,143	3,058
+ Common stock	2,362	2,194
+ Class B	353	336
Add. paid-in Capital	32,660	31,058
Retained earnings	20,271	20,366
Treasury stock	(21)	(21)
Total Liabilities	$ 139,461	$ 139,722

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.37	—
%Net Income to Sales	0.62	—
%Net Income to Equity	2.06	—
Working Capital	$ 68,714,000	$ 71,176,000
Current Ratio	2.53	2.62
Shareholders' Equity	$ 55,625,000	$ 53,934,000

Fisher Scientific Company

711 Forbes Avenue
Pittsburgh, Pennsylvania 15219
(412) 562-8300

Officers: Benjamin R. Fisher, chairman of the board; Edward G. Perkins, president and chief executive officer; John D. Herrinton III, senior vice president-finance & treasurer; James B. Philip, group vice president-mfg. divs.; Thomas P. Lawton, Jr., senior vice president-sales & distribution; vice presidents: Joseph G. Cremonese-corporate planning, Thomas W. Moran-data processing, Wayne R. Keck, U.S.A. sales & distribution, A. William Anderson-facilities engineering & construction, Gordon R. Scott-personnel adm., Derrick A. Sherman-management services; Phillip B. Hunsucker, v.p. & gen. mgr.-Cincinnati Branch; Charles W. Dithrich, v.p., secretary & corp. counsel; Michael J. Foglia, v.p. & controller; Johanna G. O'Laughlin, asst. secretary & asst. corp. counsel.

Directors: Robert J. Dodds, Jr., Benjamin R. Fisher, James A. Fisher, Silas Keehn, Richard K. Means, Edward G. Perkins, John Humphrey.

Areas of Work: Manufactures and distributes laboratory instruments, appliances, furniture, reagent chemicals, and diagnostics for industrial, medical and education laboratories.

Divisions:

Chemical Manufacturing Division
P.O. Box 375
Fair Lawn, New Jersey
(201) 79[illegible]-7100

Ins[illegible]ent Manufacturing Division
1410 Wayne Avenue
Indiana, Pennsylvania 15701
(412) 463-0253

Diagnostics Division
526 Route 303
Orangeburg, New York 10962
(914) 359-9200

Educational Materials Division
4901 W. Le Moyne Avenue
Chicago, Illinois 60651
(312) 378-7770

Jarrell-Ash Division
590 Lincoln Street
Waltham, Massachusetts 02154
(617) 899-4300

International Division
52 Fadem Road
Springfield, New Jersey 07081
(201) 379-1400

Subsidiaries:

Pfeiffer Glass, Inc.
140 Bennington Drive
Rochester, New York 14616
(716) 865-1290

Rochester Scientific Company, Inc.
15 Jet View Drive
Rochester, New York 14624
(716) 464-8900

Fisher Scientific Limited (Canada)
8505 Devonshire Road
Montreal, Quebec, Canada
(514) 735-2621

Fisher Scientific de Mexico, S.A.
Mexico

Hi-Pure Chemicals, Inc.
Nazareth, Pennsylvania

Transfer Agent(s):

The First National Bank of Boston
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s): New York

Ticker Symbol: FS

Number of Employees:

1980	4,000	1977	3,800
1979	4,000	1976	3,400
1978	3,900		

Plant Footage:

1980	1,098,830 sq. ft.	1977	2,247,000
1979	2,326,000	1976	2,191,000
1978	2,319,000		

Fisher Scientific Company

Sales and Earnings ‡

	Net Sales	Net Income
1980	$423,585,000	$ 15,685,000
1979	350,066,000	11,499,000
1978	301,794,000	8,791,000

	No. of Com. Shares +	Earn. per Share ×
1980	5,248,911	$3.21
1979	4,615,883	2.50
1978	4,579,132	1.93

‡ Restated to reflect change in accounting method to comply with Statement No. 43 regarding vacation expense.
+ Adjusted to reflect dividend.
× Based on the weighted average number of common shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.48	20%	—
1979	0.40	—	—
1978	0.33	—	—

+ Adjusted to reflect stock dividend.

Common Stock Equity ‡

	Total Equity	Equity Per Share +
1980	$111,743,000	$21.29
1979	88,822,000	19.24

‡ Restated to reflect change in accounting method.
+ Adjusted to reflect stock dividend.

Income Account

Year ended Dec. 31	1980	1979 ‡
Net sales	$ 423,585	$ 350,066
Other income	1,483	1,155
Total income	$ 425,068	$ 351,221
Cost of sales	293,718	243,930
Expenses	89,195	75,271
Product development	3,910	3,499
Depreciation	3,728	3,207
Interest expense	4,108	4,027
Income before taxes	$ 30,409	$ 21,287
Income taxes	14,724	9,788
Net Income	$ 15,685	$ 11,499

‡ Restated to reflect change in accounting method.

Assets
(000's)

As of Dec. 31	1980	1979 ‡
Cash	$ 8,119	$ 6,861
Receiv., net	67,415	57,081
*Inventories	69,662	62,400
Prepaid expense	1,493	1,403
Deferred inc. taxes	850	1,382
Current Assets	$ 147,539	$ 129,127
Note receivable	516	555
#Fixed assets	38,008	35,142
‡‡Patents	1,124	1,216
Defer. charges	3,156	1,767
Total Assets	$ 190,343	$ 167,807

Liabilities
(000's)

Notes payable & long-term debt curr.	$ 6,743	$ 8,980
Accts. payable	21,792	17,052
Accruals	2,596	2,313
Accrued interest	789	971
Accrued payroll	6,696	5,735
Income taxes	3,980	2,877
Curr. Liabilities	$ 42,596	$ 37,928
Long-term debt	36,004	41,057
+ Common stock	13,122	9,616
Add. paid-in capital	36,099	4,791
Retained earnings	62,522	74,415
Total Liabilities & Shareholders' Equity	$ 190,343	$ 167,807

‡ Restated to reflect change in accounting method.
* At lower of cost (LIFO for domestic inventories; average for foreign) or market.
# Less accumulated depreciation.
‡ ‡ Less accumulated amortization.
+ $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.18	6.08
%Net Income to Sales	3.70	3.28
%Net Income to Equity	14.04	12.95
Sales to Inventories	6.08	5.61
Working Capital	$104,943,000	$ 91,199,000
Current Ratio	3.46	3.40
Shareholders' Equity	$111,743,000	$ 88,822,000

FMC Corporation

200 East Randolph Drive
Chicago, Illinois 60601
(312) 861-6000

Officers: Robert H. Malott, chairman of the board & chief executive officer; Raymond C. Tower, president & chief operating officer; Donald C. Oskin, exec, vice president; Charles T. Jones, Peter Perkins, Philip S. Derivian, Glenn D. Tobias, John R. Furrer, William J. Kirby, John F. McKeon, Robert McLellan, William A. McMinn, Robert E. Purcell, Robert N. Burt, Sherman K. Reed, vice presidents; Bart R. van Eck, v.p. treasurer & secretary; Thomas T. Bamford, v.p.-research & development; Robert B. Hoffman, v.p.-finance; Daniel C. Smith, v.p. & general counsel; Arthur D. Lyons, controller.

Directors: Robert H. Malott*, Paul L. Davies, Jr.*, Robert W. Hubner, Henry Kearns, John J. Nevin*, John J. Cardwell, Edward J. Ledder, Morley P. Thompson*, Raymond C. Tower, William W. Boeschenstein, Charles B. Stauffacher, B.A. Bridgewater, Jr.

*Member of Executive Committee.

Areas of Work: Manufactures and markets construction and mining equipment, petroleum and fluid control equipment, material handling equipment, power transmission products, food and agricultural machinery, packaging machinery, transportation and environmental equipment; defense equipment; industrial and municipal sweepers; firefighting equipment; consumer products, including garden tractors, and lawnmowers. Produces industrial and agricultural chemicals, film and packaging products.

Divisions and Subsidiaries:

Cable Crane & Excavator Division
Construction Equipment International Division
Mining Equipment Division
Woodlands Equipment Division
Automotive Service Equipment Division
Outdoor Power Equipment Division
Steel Products Division
Northern Ordnance Division
Ordnance Division
Sweeper Division
Agricultural Machinery Division
Citrus Machinery Division
Food Machinery International Division
Food Processing Machinery Division
Engineered Systems Division
Material Handling Equipment Division
Material Handling Systems Division
Packaging Machinery Division
Bearing Division
Chain Division
Drive Division
Power Control Division
Airline Equipment Division
Marine Colloids Division
Alkali Chemical Division
Phosphorus Chemical Division
Specialty Chemical Division
Fluid Control Division
Wellhead Equipment Division
Food and Pharmaceutical Products Division
Marine and Rail Equipment Division
Hydraulic Crane Division
Industrial Packging Division
FMC Argentina, S.A.
FMC (Australia) Ltd.
Malco Industries Ltd.
(Australia; affilate)
FMC Europe, S.A. (Belgium)
FMC International, A.G. (Belgium)
FMC Food Machinery Europe, N.V. (Belgium)
FMC do Brasil, S.A
FMC of Canada, Ltd.
Chlor-Chem, Ltd.
(United Kingdom; affiliate)
FMC Corporation (U.K.) Ltd.
FMC Food Machinery France, S.A.
FMC Europe, S.A. (France)
FMC Machinery (Germany) G.m.b.H.
FMC Guatemala, S.A.
FMC Packaging Machinery S.p.A. (Italy)
FMC Food Machinery Italy S.p.A.
FMC S.p.A. (Italy)
FMC Far East, Ltd. (Japan, affilate)
Oriental Chain Manufacturing Co., Ltd.
(Japan; affiliate)
Tokai Denka Kogyo, K.K.
(Japan; affiliate)
Electro Quimica Mexicana, S.A.
FMC/Link-Belt Mexicana, S.A. de C.V.
FMC de Mexico, S.A. de C.V.
Filsan Argentina, S.A. (affiliate)
Marine Colloids, Ltd. (Canada)
FMC International, A.G. (Costa Rica)
FMC International, A.G. (Dubai)
FMC International, A.G. (Ivory Coast)
FMC International, A.G. (Ireland)
FMC International, A.G. (Kenya)
FMC International, A.G. (Korea)
FMC Saudi Arabia, Ltd.
Tarnos Instalaciones Industriales, S.A
(Spain affiliate)
FMC International, A.G. (Sudan)
Plasticos Extruidos, S.A. (Mexico)
FMC Nederland, B.V.
Marine Colloids (Philippines) Inc.
FMC Southeast Asia Pte. Ltd. (Singapore)
FMC South Africa (Pty.) Ltd.
FMC Spain, S.A.
Foret, S.A. (Spain, affiliate)
FMC International, A.G. (Switzerland)
FMC International, A.G.
(Venezuela; affiliate)
FMC International, A.G. (Austria)
FMC International, A.G. (Greece)
FMC (Ireland) Ltd.
FMC International, A.G. (Philippines)

Acquisition(s):

Mojonnier Brothers Company
Chicago, Illinois

Transfer Agent(s):

FMC Corporation
Stockholder Services Department
200 East Randolph Drive
Chicago, Illinois 60601

Citibank, N.A.
111 Wall Street
New York, New York 10005

Stock Exchange(s): New York

Ticker Symbol: FMC

Number of Employees:

1980	43,799	1977	44,249
1979	46,212	1976	40,247
1978	45,854		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 3,482,183	$ 142,708
1979	3,307,484	151,566
1978	2,912,766	140,909
1977	2,292,200	120,645
1976	2,065,900	80,157

	No. of Com. Shares	Earn. per. Share ‡
1980	32,173,252	$4.26
1979	32,138,912	4.55
1978	32,068,167	4.22
1977	32,034,255	3.60

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Food & agricultural machinery & chemicals	$ 635,157	$ 617,309
Industrial chemicals	856,795	762,273
Materials & natural resource handling equipment	741,145	726,159
Construction & power transmission prods.	510,646	559,928
Government & municipal equipment	651,276	525,196
Special products	114,840	139,113
Eliminations	(27,676)	(22,494)
Total	$ 3,482,183	$ 3,307,484

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.45	—	—
1979	1.40	—	—
1978	1.25	—	—
1977	1.10	—	—
1976	1.00	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$1,153,125,000	$35.84
1979	1,060,289,000	32.99
1978	956,123,000	29.82
1977	858,719,000	26.81
1976	775,175,000	24.27

‡ After allowing for preferred stock at preference value.

Income Account *
(000's)

Year ended Dec. 31	1980	1979‡
Net sales	$ 3,482,183	$ 3,307,484
Eq. of affiliates	8,059	6,552
Other income	26,794	29,640
Total Income	$ 3,517,036	$ 3,343,676
Cost of sales	2,771,950	2,621,064
Expenses	514,328	467,704
Interest expense	56,165	55,526
Min. int. in inc. of subsid.	1,650	1,503
Income bef. taxes	$ 172,943	$ 199,382
Income taxes	30,235	47,816
Net Income	$ 142,708	$ 151,566

*Included in Costs and Expenses, Depreciation:$126,200,000 in 1980 and $109,506 in 1979.
‡ Reclassified for comparative purposes.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 10,339	$ 14,914
Marketable securities	116,635	94,879
Accts. & notes receiv. net	497,292	462,273
*Inventories	507,636	507,400
Prepaid expenses	111,390	112,143
Current Assets	$ 1,243,292	$ 1,191,609
Investments	106,831	96,539
# Fixed assets	1,213,832	1,088,300
Defer. charges & intangibles	53,342	58,326
Total Assets	$ 2,617,297	$ 2,434,774

Liabilities
(000's)

Short-term debt	$ 66,139	$ 46,071
Long-term debt, curr.	36,952	28,292
Acct. payable	416,706	421,264
Accruals	248,805	200,019
Income taxes	35,580	37,504
Curr. Liabilities	$ 804,182	$ 733,150
Long-term debt	432,723	448,454
Minority interest	6,797	7,120
Deferred inc. taxes	127,694	92,756
+ Preferred stock	11,597	11,626
+ + Common stock	161,721	161,642
Add. paid-in capital	41,692	41,376
Retained earnings	1,034,161	942,276
Treasury stock	(3,270)	(3,626)
Total Liabilities & Shareholders' Equity	$ 2,617,297	$ 2,434,774

*At lower of cost or realizable value.
# Less accumulated depreciation.
+ No par value; $2.25 cumulative convertible.
+ + $5 par value.

Statistical Summary

%Income before Taxes to Sales	4.97	6.03
%Net Income to Sales	4.10	4.58
%Net Income to Equity	11.45	13.14
Sales to Inventories	6.86	6.52
Working Capital	$439,110,000	$458,459,000
Current Ratio	1.55	1.63
Shareholders' Equity	$1,245,901,000	$1,153,294,000

Ford Motor Company

The American Road
Dearborn, Michigan 48121
(313) 322-3000

Officers: Philip Caldwell, chairman of the board & chief executive officer; Henry Ford II, chairman of the finance committee; Donald E. Petersen, president & chief operating officer; William C. Ford, vice chairman of the board; Will M. Caldwell, exec. v.p. & chief financial officer; executive vice presidents: John McDougall-Ford Int'l Automotive operations, Harold A. Poling-Ford North American Automotive Operations, Louis R. Ross-Car Product Development Group-Ford North American Automotive Operations; vice presidents: James K. Bakken-Operations Support Staffs, Philip E. Benton, Jr.-Gen. Mgr. Ford Div.; William P. Benton-sales, Ford of Europe Incorporated, John A. Betti-Powertrain & Chassis Operations, Edward J. Blanch-pres., Ford of Europe Incorporated, James A. Capolongo gen. mgr., truck operations, Lionel M. Chicoine-purchasing & supply, W. Dale Compton-research, Arthur B. Connors-marketing, Frank A. Erdman-asst. gen. mgr., Ford Tractor Operations, Thomas J. Feaheny-car engineering, George A. Ferris-basic products operations, James W. Ford-chairman of the board, finance & insurance, Allan D. Gilmour-controller, Robert C. Graham-Latin American Automotive Operations, William J. Hayden-mfg., Ford of Europe Incorporated, Walter Hayes-public affiars, Charles L. Knighton-product development, Ford of Europe Incorporated, Robert A. Lutz-chairman of the board, Ford of Europe Incorporated, Harold C. MacDonald-engineering & research, Gordon B. MacKenzie-sales operations, Mervyn H. Manning-gen. mgr., Ford Tractor Operations, David N. McCammon-corp. strategy & analysis, Herbert L. Misch-environmental & safety engineering, Henry R. Nolte, Jr.-general counsel, Thomas C. Page-Ford Diversified Products Operations, Peter J. Pestillo-labor relations, John Sagan-treasurer, Will Scott-gov't relations, John J. Telnack-chief design exec., North American Design, Roderick M. Sherwood, gen. mgr.-Automotive Assembly Div., Max L. Jurosek, gen. mgr.-Engine Div., Robert W. Scott, chairman, dealer policy board, Stanley A. Seneker, Ben. H. Vanden Belt, Jr., Robert C. White, asst. treasurers, Peter J. Sherry-personnel & organization, Wayne H. Smithey-Washington Affairs, David M. Sparling-pres., Ford Mid-East & Africa, Incorporated & gen. mgr., trade development operations, Alexander J. Trotman-truck operations, Ford of Europe Incorporated, Lewis C. Veraldi-advanced vehicles development; Edson P. Williams-pres., Ford Asia-Pacific, Inc.; Chester V. Barion-gen. mgr., Ford Parts & Service Div., Roy F. Bennett-pres., Ford Motor Co. of Canada, Ltd., Hellmuth Bickenbach-gen. mgr., transmission & chassis div., William L. Breckwoldt-gen. mgr., Ford Export Div., Paul J. Brosnahan-gen. mgr., steel div.; Frederick Z. Herr, gen. mgr., Electrical & Electronics Div., Wayne S. Doran-chairman, Ford Motor Land Development Corporation, Curtiss C. Drouiliard-gen. mgr., Climate Control Div., Howard P. Freers-chief body & electrical engineer, Stuart M. Frey-car engineering, Donald F.Kopka-design, William H. Gay-gen. mgr., casting div., Louis E. Lataif-gen. mgr., Ford Div., Henry E. Hockeimer-pres., Ford Aerospace & Communications Corporation, Sidney Kelley-secretary, George O. Keutgen-exec. dir., mfg. staff, Kenneth K. Kohrs-exec. dir., midsize car programs, Joseph A. Kordick-gen. mgr., glass div., Clinton D. Lauer-dir., body & assembly purchasing, Don R. Learned-dir., general services, John A. Manoogian-exec. dir., product assurance, Henry A. Nickol-chief powertrain & chassis engineer, Henry A. Nida-gen. mgr., metal stamping div., Erick A. Reickert, exec. dir., small car programs William E. Scollard-body & assembly operations, David C. Travis-gen. mgr., plastics, paint & vinyl div., James A. Courter, Donald R. Jolliffe, Marian Rowlette, Robert A. Taub, asst. secretaries.

Directors: Philip Caldwell, chairman of the board; Henry Ford II, Carter L. Burgess, Arjay Miller, George F. Bennett, Joseph F. Cullman 3rd, Will M. Caldwell, Kenneth H. Olsen, Harold A. Poling, William C. Ford, J. Edward Lundy, Franklin D. Murphy, Clifton R. Wharton, Jr., Marian S. Heiskell, John McDougall, Donald E. Petersen.

Areas of Work: Engaged in the manufacture of cars, trucks, tractors,and their parts; also manufactures and sells electronic products, industrial and chemical products, architectural glass, and defense-space products for the government, as well as engaged in finance and insurance operations.

Subsidiaries:

Ford Aerospace & Communications Corporation
Detroit, Michigan

Ford Motor Company Caribbean, Inc.
Canovanas, Puerto Rico

Eveleth Taconite Company*
Eveleth, Minnesota

Ford International Capital Corporation
Hamilton, Bermuda

Ford Motor Credit Company (unconsolidated)
Dearborn, Michigan

Detroit Downtown Development Corporation
(unconsolidated)
Dearborn, Michigan

The American Road Insurance Company
(unconsolidated)
Dearborn, Michigan

Ford Life Insurance Company (unconsolidated)
Dearborn, Michigan

Ford Leasing Development Company (unconsolidated)
Dearborn, Michigan

Ford Motor Land Development Corporation
(unconsolidated)
Dearborn, Michigan

Ford of Europe Incorporated
Brentwood, Essex, England

Henry Ford & Son, Limited
Cork, Ireland

Ford Tractor (Belgium) Limited
Antwerp, Belgium

Ford Motor Credit Company Limited
(unconsolidated)
Brentwood, Essex, England

Ford Motor Company (Belgium) N.V.*
Antwerp, Belgium

Ford Motor Company

Ford Motor Company (Switzerland) S.A.
Zurich, Switzerland

Ford Motor Argentina, S.A.
Buenos Aires, Argentina

Ford Motor Company, S.A.
Mexico City, Mexico

Ford (Uruguay) S.A.
Montevideo, Uruguary

Ford Motor de Venezuela S.A.
Valencia, Venezuela

Ford Motor Company of Canada, Limited*
Oakville, Ontario, Canada

Ford Motor Company of Australia Limited
Campbellfield, Australia

Ford Motor Company Private Limited
Singapore

Ford Motor Company of South Africa (Proprietary) Limited
Port Elizabeth, South Africa

Ensite Limited
Windsor, Ontario, Canada

Ford Philippines Inc.
Makati, Rizal, Philippines

Ford Brasil S.A.*
Sao Bernardo do Campo, Brazil

Ford-Werke AG
Cologne, Germany

Ford Credit Bank AG (unconsolidated)
Cologne, Germany

Ford Motor Company (Austria) KG
Salzburg, Austria

Ford Motor Company (Egypt) S.A.E.
Alexandria, Egypt

Ford France S.A.
Rueil-Malmaison, France

Ford Italiana, S.p.A.
Rome, Italy

Fod Lusitana, S.A.R.L.
Lisbon, Portugal

Ford Motor Company A/S*
Copenhagen, Denmark

Ford Motor Norge A/S
Kolbotn, Norway

O/Y Ford A/B*
Helsinki, Finland

Ford Nederland N.V.*
Amsterdam, The Netherlands

Ford Motor Company Aktiebolag*
Stockholm, Sweden

Ford Credit S.A. (unconsolidated)
Madrid, Spain

Ford Financiadora S.A. (unconsolidated)
Sao Paulo, Brazil

Japan Automatic Transmission Company, Ltd. (50% owned)
Fuji City, Japan

Ford Motor Company of Malaysia, Sdn. Bhd.
Kuala Lumpur, Malaysia

Ford Motor Company (Japan) Ltd.
Tokyo, Japan

Ford Espana S.A.
Madrid, Spain

Ford Lio Ho Motor Company, Ltd.*
Taipei, Taiwan

Ford of Europe Incorporated Branch
Cologne, Germany

Ford Credit Australia Limited (unconsolidated)
Melbourne, Australia

Transcon Insurance Limited (unconsolidated)
Hamilton, Bermuda

Ford Asia-Pacific Inc.
Melbourne, Australia

Fordson Coal Company
Dearborn, Michigan

Credit Ford S.A. (unconsolidated)
Paris, France

Ensite Limited Stamping
Mariveles, Philippines

Essex Manufacturing
Windsor, Ontario, Canada

Ford International Finance Corporation
Hamilton, Bermuda

Ford Motor Company Limited
Brentwood, Essex, England

Ford-Werke AG
Genk, Belgium

Philco Radio e Televisao, Ltda.
Sao Palo, Brazil

Ford Motor Company of New Zealand Limited
Lower Hutt, New Zealand

Ford Mid-East and Africa, Incorporated
Dearborn, Michigan

Ford Credit Canada Limited (unconsolidated)
Oakville, Ontario, Canada

* Subsidiaries in which there is an outstanding minority interest.

Transfer Agent(s):

Bank of America National Trust and Savings Association
Corporate Agency
P.O. Box 37002
San Francisco, California 94137

Continental Illinois National Bank and Trust Company of Chicago
30 North LaSalle Street
Chicago, Illinois 60693

Citibank, N.A.
Corporate Trust Administration
Box 3185
New York, New York 10043

Manufacturers National Bank of Detroit
100 Renaissance Center
Detroit, Michigan 48243

Montreal Trust Company
P.O. Box 1900, Station B
Montreal, Quebec, Canada H3B 3L6

National Trust Company, Limited
21 King Street East
Toronto, Ontario, Canada M5C 1B3

Stock Exchange(s): New York, Midwest, Pacific, Boston, Philadelphia, Toronto, Montreal

Ticker Symbol: F

Number of Employees:

1980	426,700	1977	479,292
1979	494,579	1976	443,917
1978	506,531		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$37,085,500	$(1,543,300)
1979	43,513,700	1,169,300
1978	42,784,100	1,588,900
1977	37,841,500	1,672,800
1976	28,839,600	983,100

	No. of Com. Shares ‡	Earn. per Share ‡
1980	120,300,000	$ —
1979	119,900,000	$9.75
1978	119,000,000	13.35
1977	118,100,000	14.16
1976	117,600,000	8.36

(Loss)
‡ Based on average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1980 (000's)	%	1979 (000's)	%
Automotive	$33,303	90%	$39,899	92%
Non-automotive	3,783	10	3,615	8
Total	$37,086	100%	$43,514	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.60	—	—
1979	3.90	—	—
1978	3.50	—	—
1977	3.04	—	5-for-4
1976	2.24	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share ‡
1980	$ 8,567,500	$71.05
1979	10,420,700	86.46
1978	9,686,300	80.77
1977	8,456,900	71.15
1976	7,107,000	60.14

‡ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 37,085,500	$ 43,513,700
Cost of sales	34,700,600	38,448,300
Expenses	1,930,700	1,701,800
Depreciation	1,057,200	895,900
Amort. of special tools	912,100	708,500
Emp. retire. plan	763,200	811,200
Prov. for compensation	—	31,000
Interest income	(110,600)	(446,200)
Minority interest	(187,000)	(146,200)
Income (loss) before taxes	$ (1,980,700)	$ 1,509,400
Income taxes (credit)	(435,400)	330,100
Minority interest	(2,000)	10,000
Net Income (Loss)	$ (1,543,300)	$ 1,169,300

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 2,164,100	$ 1,537,100
Marketable securities	423,100	655,500
Receiv., net	2,998,100	2,723,700
*Inventories	5,129,600	5,891,900
Other assets	844,100	763,100
Current Assets	$ 11,559,000	$ 11,571,300
Minority interest	2,142,200	2,041,800
#Fixed assets	10,025,900	9,227,000
Other assets	620,500	684,500
Total Assets	$ 24,347,600	$ 23,524,600

Liabilities
(000's)

Long-term debt, curr.	$ 83,800	$ 213,300
Short-term debt	2,321,800	977,100
Acct. payable	4,720,500	4,462,500
Income taxes	234,600	424,000
Curr. Liabilities	$ 11,072,000	$ 9,263,000
Long-term debt	2,058,800	1,274,600
Other liabilities	1,444,400	1,374,800
Minority interest	135,900	145,300
Deferred inc. taxes	1,069,000	1,046,200
+ Common stock	241,200	241,000
Add. paid-in capital	526,900	524,300
Retained earnings	7,799,400	9,655,400
Total Liabilities & Shareholders' Equity	$ 24,347,600	$ 23,524,600

* At lower of cost (domestic inventories at LIFO; foreign at FIFO) or market.
# Less accumulated depreciation.
+ $2.00 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	3.47
%Net Income to Sales	—	2.69
%Net Income to Equity	—	11.22
Sales to Inventories	7.23	7.39
Working Capital	$ 487,000,000	$2,308,300,000
Current Ratio	1.04	1.25
Shareholders' Equity	$8,567,500,000	$10,420,700,000

Four-Phase Systems, Inc.

10700 N. DeAnza Boulevard
Cupertino, California 95014
(408) 255-0900

Officers: Lee L. Boysel, chairman of the board & president; John M. Clark, Jr. v.p. -marketing; Jack L. Faith, v.p.-research & development; Ronald D. Garrison, v.p.-field engineering; John J. LaPorta, v.p.-operations; Glen McLaughlin, v.p.-finance & secletary; F. Anthony Yates, Jr., v.p.-systems development; David B. Bossert, Robert J. Clark, Raymond L. Harter, B.G. Starkey, v.p.'s & regional mgrs.; R. Frederick Hodder, treasurer.

Directors: Lee L. Boysel, Christopher W. Brody, Neill H. Brownstein, Allen W. Dawson, Carl M. Vorder Bruegge, Philip Greer.

Areas of Work: Develops, manufactures, markets and services video display-oriented computer systems for distributed data processing applications.

Subsidiaries:

Four-Phase Systems International, Inc. (DISC)
Four-Phase Systems Ltd. (Ontario, Canada)
Four-Phase Sistemas de Processamenta Lda. (Brazil)
Four-Phase Finance, Inc.
Four-Phase Systems Ltd. (United Kingdom)

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
New York, New York

Stock Exchange(s): New York

Ticker Symbol: FPS

Number of Employees:

1980	3,748	1977	2,130
1979	3,422	1976	1,415
1978	2,800		

Plant Footage:

1979	580,000 sq. ft.	1977	403,000
1978	403,000	1976	212,000

Sales and Earnings

	Revenues #	Net Income ‡
1980	$197,187,000	$ 5,452,000
1979	178,736,000	16,727,000
1978	135,647,000	12,196,000
1977	88,508,000	9,143,000
1976	63,218,000	7,476,000

	No. of Com. Shares +	Earn. per Shares ‡+
1980	5,161,000	$1.06
1979	5,082,000	3.29
1978	4,682,000	2.60
1977	3,978,000	2.30
1976	2,517,000	2.97

# Includes sales, leases and services.
‡ Including extraordinary gains of $1,790,000 ($0.45 per share) in 1977 and $3,090,000 ($1.22 per share) in 1976.
+ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect reverse stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	—
1978	—	—	—
1977	—	—	—
1976	—	—	1-for-2+

+ A reverse stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$104,182,000	$20.19
1979	94,804,000	18.95
1978	73,171,000	15.28
1977	41,355,000	10.40
1976	30,701,000	7.96

+ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect reverse stock split.

Income Account *

Year ended Dec. 31	1980	* 1979
Net sales	$113,793,000	$113,722,000
Lease & service	83,394,000	65,014,000
Total revenues	$197,187,000	$178,736,000
Cost of sales & services	78,338,000	68,161,000
Expenses	104,302,000	83,007,000
Other expense	469,000	179,000
Financing exp.	6,606,000	4,478
Income before taxes	$ 7,472,000	$ 22,911,000
Income taxes	2,020,000	6,184,000
Net Income	$ 5,452,000	$ 16,727,000

*Included in Costs and Expenses, Depreciation and Amortization: $27,827,000 in 1980 and $21,112,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 9,209,000	$ 3,843,000
Receiv., net	17,439,000	24,753,000
*Inventories	35,736,000	39,569,000
Prepaid expenses	1,432,000	1,477,000
Current Assets	$ 63,816,000	$ 69,642,000
Investments and advances	24,893,000	19,600,000
# Equip. for lease	70,459,000	60,131,000
# Fixed assets	19,783,000	15,804,000
Other assets	616,000	788,000
Total Assets	$179,567,000	$165,965,000

Liabilities

Notes payable	$ —	$ 3,286,000
Accts. payable	7,623,000	9,904,000
Accruals	12,404,000	11,478,000
Income taxes	65,000	1,504,000
Curr. Liabilities	$ 20,092,000	$ 26,172,000
Long-term debt	47,511,000	37,884,000
Deferred inc. taxes	7,782,000	7,105,000
+ Common stock	206,000	200,000
Add. paid-in capital	61,929,000	58,009,000
Retained earnings	42,047,000	36,595,000
Total Liabilities & Shareholders' Equity	$179,567,000	$165,965,000

*At lower of average cost or market.
# Less accumulated depreciation.
+ $0.04 par value.

Statistical Summary

%Income bef. Taxes to Revenues	3.79	12.82
%Net Income to Revenues	2.76	9.36
%Net Income to Equity	5.23	17.64
Working Capital	$ 43,724,000	$ 43,470,000
Current Ratio	3.18	2.66
Shareholders' Equity	$104,182,000	$ 94,804,000

The Foxboro Company

38 Neponset Avenue
Foxboro, Massachusetts 02035
(617) 543-8750

Officers: Earl W. Pitt, chairman of the board & chief exec. officer; Colin I. W. Baxter, president & chief of operations; Charles A. McKay, exec. v.p., Earl M. Kelly, Allan E. Parritt, sr. vice presidents; Gerald H. Gleason, James W. Graham, vice presidents; Howard L. Osler, secretary & controller.

Directors: Rexford A. Bristol*, Bristol B. Crocker, Robert F. Jenkins, Harry W. Knight, John Jeppson II, Richard M. Nichols*, Earle W. Pitt*, Paul W. Murrill, Ralph Z. Sorenson, Earl M. Kelly*, Allan E. Parritt, G. Richard Westin, Colin I.W. Baxter, Charles A. McKay.

*Member of Executive Committee.

Areas of Work: Designs, manufactures and sells mechanical, pneumatic and electronic products for process and energy control. Products measure such production variables as flow, pressure, temperature levels; records, indicators, controllers, transmitters, valves and control panel and complete analog and digital systems.

Divisions and Subsidiaries:

Foxboro Brazil, Inc.
100 W. Tenth Street
Wilmington, Delaware 19801
(617) 543-8750

Foxboro/Jordon Inc.
5607 West Douglas Avenue
Milwaukee, Wisconsin
(414) 461-9200

Foxboro Far East Private Ltd.
P.O. Box 52
Farrer Road
Singapore

Foxboro (Malaysia) Sendirian Berhad
130 Jalan Kasah
Medan Damansara
Kuala Lumpur, 23-10, Malaysia

Foxboro Municipal Sales, Inc.
100 W. Tenth Street
Wilmington, Delaware 19801
(617) 543-8750

The Foxboro Company

Foxboro-Argentina, S.A.
Avendia R.S. Pena 570
Buenos Aires, Argentina
33-7585

Foxboro Controles, S.A.
P.R. Testing Building
Dr. Mario Julia Industrial Development
Matadero Road
Puerto Nuevo, Puerto Rico 00920
(809) 782-8033

Foxboro Intertrade, Inc.
110 West Tenth Street
Wilmington, Delaware 19801
(617) 543-8750

Foxboro International Limited
12 Swan Walk
Horsham, Sussex
England RH12 1H9
Redhill 65000

Foxboro Canada, Inc.
707 Dollard Avenue
La Salle, Quebec, Canada
(514) 366-4210

Foxboro-Yoxall Limited
Redhill
Surrey, England RH1 2HL

Foxboro (Nederland) NV
Koningsweg, 30
Soest, Netherlands

Foxboro S.A.
Avena 410 and 410-A
Mexico 8, DF, Mexico

Foxboro, France, S.A.
92-98 Boulevard Victor Hugo
92115 Clichy, France

Foxboro, KK
7, Kojimachi
Chiyoda-Ku
Tokyo, Japan
1048

Foxboro Proprietary Limited
Maroondah Highway
Lilydale 3140 Victoria, Australia

Foxboro Italia, SpA
Via Fabio Filzi, 27
Milan, Italy

Foxboro Deutchland GmbH
4000 Duesseldorf 11
West Germany

Foxboro/I.T.C., Inc.
1750 Junction Avenue
San Jose, California
(408) 998-8720

Foxboro/Adec, Inc.
1421 East Pomona
Santa Ana, California 92705
(714) 540-8863

Foxoboro Trading, Inc.
100 West Tenth Street
Wilmington, Delaware

Foxoboro Intercontinental Ltd.
P.O.Box 3361
Amman, Jordan

Foxboro Analytical Division

Analabs, Inc.
800 Republic Drive
North Haven, Connecticut 05478

ARCAS Chromotography Center
10707 Haddingten Street
Houston, Texas 77043

Balsbaugh Center
Armstrong Road
Plymouth Industrial Park
Plymouth, Massachusetts 02360

Burlington/Center
P.O. Box 435
78 Blanchard Road
Burlington, Massachusetts 01803

Wilks Infrared Center
P.O. Box 499
140 Water Street
South Norwalk, Connecticut 06856

Transfer Agent(s):

The First National Bank of Boston
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s): New York, London.

Ticker Symbol: FOX

Number of Employees:

1980	11,700	1977	9,850
1979	11,001	1976	9,761
1978	10,568		

Plant Footage:

1980	2,606,000 sq. ft.	1977	2,323,000
1979	2,508,442	1976	1,984,000
1978	2,442,597		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 509,057	$ 32,054
1979	471,539	33,714
1978	395,675	32,475
1977	368,584	31,717
1976	327,684	27,403

	No. of Com. Shares +	Earn. per Share +
1980	8,280,858	$3.87
1979	8,278,748	4.07
1978	8,228,852	3.95
1977	8,097,024	3.92
1976	7,923,705	3.46

+ Based on average number of shares outsdanding adjusted to reflect stock split.

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$1.30	—	—
1979	1,225	—	—
1978	1,075	—	—
1977	0.85	—	3-for-2
1976	0.60	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity (000's)	Equity Per Share ‡
1980	$ 282,127	$34.06
1979	260,708	31.49
1978	237,118	28,64
1977	210,813	26.03
1976	183,981	23.22

‡ Based on average number of shares outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 509,057	$ 471,539
Cost of sales	296,198	272,044
Expenses	161,368	145,529
Other income	(8,577)	(7,537)
Interest expense	3,676	3,743
Other charges	738	2,546
Income before taxes	$ 55,654	$ 55,214
Income taxes	23,600	21,500
Net Income	$ 32,054	$ 33,714

* Included in Costs and Expenses, Depreciation and Amortization: $13,148,000 in 1980 and $11,226,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 5,069	$ 3,621
Short-term investments	15,467	28,331
Accts. receiv., net	121,359	105,783
Refundable taxes	8,065	5,979
*Inventories	184,266	153,391
Prepaid expenses	3,118	2,834
Current Assets	$ 337,344	$ 299,939
# Fixed assets	78,270	63,607
Other assets	3,349	3,478
Intangibles	2,100	1,783
Total Assets	$ 421,063	$ 368,807

Liabilities
(000's)

	1980	1979
Bank loans	$ 9,287	$ 4,798
Long-term debt, curr.	2,124	1,745
Accts. payable	32,767	21,126
Accruals	21,526	21,473
Advances	34,272	18,957
Income taxes	8,651	7,637
Curr. Liabilities	$ 108,627	$ 75,736
Long-term debt	22,204	24,323
Other liabilities	2,220	2,183
Deferred inc. taxes	5,885	5,857
+ Common stock	8,325	8,324
Add. paid-in capital	68,718	68,673
Retained earnings	205,954	184,666
Treasury stock	(870)	(955)
Total Liabilities & Shareholders'Equity	$ 421,063	$ 368,807

* At lower of cost or market. Domestic inventories at LIFO; remainder at FIFO.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

	1980	1979
% Income bef. Taxes to Sales	10.93	11.71
% Net Income to Sales	6.30	7.15
% Net Income to Equity	11.36	12.93
Sales to Inventories	2.76	3.07
Working Capital	$228,717,000	$224,203,000
Current Ratio	3.11	3.96
Shareholders' Equity	$282,127,000	$260,708,000

Frequency Electronics, Inc.

3 Delaware Drive
New Hyde Park, New York 11040
(516) 328-0100

Officers: Martin B. Bloch, president; Abraham Lazar, executive v.p.; John C. Ho, v.p.-research & development; Marvin Meirs, v.p.-engineering; Alfred Vulcan, v.p.-systems engineering; Harry Newman, treasurer & secretary; Markus Hechler, asst. secretary.

Directors: Martin B. Bloch, chairman; John C. Ho. Abraham Lazar, Bruce E. Balding.

Areas of Work: Operates principally in two industries— frequency and time control products, and microwave integrated circuit components. Operations in the frequency and time control area consist of the research, design and manufacture of systems, instruments and equipment that operate on frequency control. Operations in the microwave integrated circuit component industry consist of the design and manufacture and metallized substrates, having application with radar, communications and navigation equipment. Products include: quartz crystals, quartz crystal resonators and cesium beam resonators.

Divisions and Subsidiaries:

Tek-wave, Inc. (100% owned)

Manufacturer of devices, components and sub-systems for Microwave Integrated Circuit (MIC) applications. Products include hermetic and non-hermetic connectors and circuit frames, metallized substrates and thin film circuit fabrications, and sub-system packages which incorporate these various components.

Transfer Agent(s):

Bradford Trust Company
2 Broadway
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Ticker Symbol: FEIC (NASDAQ)

Sales and Earnings

	Revenues	Net Income †
1980	$ 9,311,552	$ 783,997
1979	5,636,997	(137,230)
1978	5,318,357	101,289
1977	4,269,129	213,826
1976	5,554,943	623,206

	No. of Com. Shares #	Earn. per Share † #
1980	661,605	$1.18
1979	642,525	—
1978	651,058	0.16
1977	668,889	0.32
1976	702,827	0.89

(Loss)
† Including extraordinary gains of $244,066 ($0.37 per share) in 1977 and $308,500 ($0.44 per share) in 1976.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1980	1979
Frequency & time control devices:		
Components	$ 4,090,162	$ 2,205,444
Instruments	3,323,256	1,960,395
Systems	1,107,752	735,148
Microwave integrated circ. compon.	790,382	726,286
Total	$ 9,311,552	$ 5,627,273

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 2,444,008	$3.69
1979	1,655,261	2.58
1978	1,809,459	2.78

† Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended April 30	1980	1979
Net sales	$ 9,311,552	$ 5,627,273
Other income	—	9,724
Total income	$ 9,311,552	$ 5,636,997
Cost of sales	6,744,854	4,933,123
Expenses	1,125,718	828,456
Interest expense	123,983	72,648
Income (loss) before taxes	$ 1,316,997	$ (197,230)
Income taxes (credit)	533,000	(60,000)
Net Income (Loss)	$ 783,997	$ (137,230)

*Included in Costs and Expenses, Depreciation and Amortization: $133,764 in 1980 and $106,895 in 1979.

Assets

As of April 30	1980	*1979
Cash & cash equiv.	$ 332,537	$ 32,222
Accts. receiv., net	1,994,145	1,577,022
Refundable inc. taxes	10,411	76,250
*Inventories	1,011,422	1,188,244
Prepaid expenses	43,205	32,627
Current Assets	$ 3,391,720	$ 2,906,365
# Fixed assets	864,166	661,262
Other assets	58,079	46,289
Total Assets	$ 4,313,965	$ 3,613,916

Liabilities

Notes payable	$ —	$ 100,000
Long-term debt, curr.	80,825	126,131
Accts. payable	822,891	854,241
Accruals	75,765	27,124
Accrued payroll	242,204	57,220
Accrued taxes	86,473	52,991
Income taxes pay.	538,244	1,000
Curr. Liabilities	$ 1,846,402	$ 1,218,707
Long-term debt	23,555	739,948
+ Common stock	741,270	741,270
Add. paid-in capital	1,026,989	1,024,489
Retained earnings	944,772	160,775
Treasury stock	(269,023)	(271,273)
Total Liabilities & Shareholders' Equity	$ 4,313,965	$ 3,613,916

*At lower of cost (specific and average) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	14.14	—
%Net Income to Sales	8.42	—
%Net Income to Equity	32.08	—
Sales to Inventories	9.21	4.74
Working Capital	$ 1,545,318	$ 1,687,658
Current Ratio	1.84	2.38
Shareholders' Equity	$ 2,444,008	$ 1,655,261

GAP Instrument Corp.

110 Marcus Boulevard
Hauppauge, New York 11787
(516) 273-0909

Officers: Alan G. Binnie, chairman and chief executive officer; Joseph J. Langford, president & treasurer; Henry R. Hess, secretary.

Directors: Alan G. Binnie, Joseph J. Langford, Fred A. Vernon, Arthur M. M. Hodges, Richard M. Goldfrank.

Areas of Work: Manufactures electro-mechanical and solid-state systems including instrument-type gear-train mechanisms and electronic components and test and simulation equipment.

Transfer Agent(s):

Registrar & Transfer Co.
P.O. Box 436
Jersey City, New Jersey 07303

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	30	1977	29
1979	29	1976	33
1978	29		

Plant Footage:

1980	27,500 sq.ft.	1979	27,500

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 1,422,819	$ 110,706
1979	983,840	5,209
1978	1,004,432	(86,348)
1977	1,081,380	5,054
1976	1,193,714	101,004

	No. of Com. Shares	Earn. per Share + ‡
1980	1,611,004	$0.07
1979	1,611,004	—
1978	1,611,004	—
1977	1,609,604	—
1976	1,608,904	0.06

(Loss)
‡ Including extraordinary credits of $20,700 ($0.01 per share) in 1980, $885 in 1979, $860 in 1977 and $34,982 ($0.02 per share) in 1976.
+ Based on average number of shares outstanding.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 1,422,819	$ 983,840
Cost of sales	934,983	615,952
Expenses	342,942	332,847
Interest expense	34,188	29,832
Income before taxes	$ 110,706	$ 5,209
Income taxes	20,700	885
Net Income	$ 90,006	$ 4,324
Extraord. credit	20,700	885
Net Income & extraord. credit	$ 110,706	$ 5,209

* Included in Costs and Expenses, Depreciation: $3,915 in 1980 and $7,414 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 14,396	$ 6,325
Note receivable	10,000	15,000
Accts. receiv., net	287,990	104,633
* Inventories	185,774	211,317
Prepaid expenses	11,836	16,542
Current Assets	$ 509,996	$ 353,817
# Fixed assets	14,353	17,573
Other assets	13,414	24,764
Total Assets	$ 537,763	$ 396,154

Liabilities

Accts. payable	$ 143,586	$ 108,590
Accruals	25,546	25,754
Accrued payroll	78,646	83,061
Taxes payable	8,262	7,732
Curr. Liabilities	$ 256,040	$ 225,137
Long-term debt	559,325	559,325
Int. on long-term debt	11,940	11,940
+ Preferred stock	1,741,324	1,741,324
+ + Common stock	161,100	161,100
Add. paid-in capital	852,907	852,907
Accumulated deficit	(3,044,873)	(3,155,579)
Total Liabilities & Shareholders' Equity	$ 537,763	$ 396,154

* At lower of current cost or market.
# Less accumulated depreciation.
+ $100 par value.
+ + $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.78	0.53
%Net Income to Sales	6.33	0.44
Sales to Inventories	7.66	4.66

Working Capital	$ 253,956	$ 128,680
Current Ratio	1.99	1.57
Shareholders' Equity (Deficiency)	$ (289,542)	$ (400,248)

Gates Learjet Corporation

(65% owned subsidiary of The Gates Rubber Company)

Mid-Continent Airport
P.O. Box 7707
Witchita, Kansas 67277
(316) 722-5640

Officers: Charles C. Gates, chairman of the board; Harry B. Combs, president; Robert E. Cloughley, exec. v.p.-gen. mgr., Fixed Base Operations Div.; A.J. Brizzolara, exec. v.p.-gen. mgr., Jet Electronics & Technology, Inc.; Linden Blue, exec. v.p.-gen. mgr., Aircraft Div.; W.H. Webster, treasurer, R.C. Troll, secretary & general counsel; L. McDonough, assoc. gen. counsel & asst. secretary; A.M. Hain, asst. treasurer, J.R. Greenwood, v.p.-corporate affairs; R.C. Scott, sr. v.p.-operations; B.S. Stillwell, sr. v.p.-marketing; G.D. Gilmore, v.p.-government marketing; A.F. Green, v.p. & gen. mgr.-Tucson operations; D.J. Grommesh, v.p.-research & engineering; R.E. Hamlin, v.p.-manufacturing; F.I. Hedlund, v.p.-international marketing; P.F. Lovett, v.p.-domestic marketing; E.C. Mandenberg, v.p.-materiel; M.F. Mastin, v.p.-marketing programs; D.B. Norton, v.p.-product support; A.G. Ponte, v.p.-quality assurance; E.J. Ekeland, v.p.-Western Region; C.H. Grieve, v.p.-Southern Region; M.D. Mott, v.p.-Eastern Region; J.H. Semcken, Jr., v.p.-Central Region; T.B. Winget, president & gen. mgr.- Combs-Gates Indianapolis, Inc.; R. Anderson, president & gen. mgr.- Combs-Gates Palm Springs, Inc.; H.W. Veverica, v.p.-engineering, J.E.T.

Directors: Charles C. Gates, Neil A. Armstrong, Robert G. Bonham, Harry B. Combs, Frederic C. Hamilton, Kenneth E. Johnson, Hewitt T. Wheless, Albert B. Fay.

Areas of Work: Manufactures and markets jet aircraft; airborne electronics equipment for military and commercial application, including navigation, altitude reference systems, standby gyro horizon and power supply systems; maintains airplane service and sales operations.

Divisions:

Aircraft Division
Mid-Continent Airport
Wichita, Kansas 67277
(316) 722-5640

Aircraft Marketing Center
P.O. Box 11186
Tucson, Arizona 85734
(602) 889-4641

Subsidiaries:

Fixed Base Operations:

Combs-Gates Denver, Inc.
Stapleton International Airport
Denver, Colorado

Combs-Gates Indianapolis, Inc.
Indianapolis International Airport
Indianapolis, Indiana

Combs-Gates Palm Springs, Inc.
Palm Springs Municipal Airport
Palm Springs, California

Jet Electronics & Technology, Inc.
5353 52nd Street
Grand Rapids, Michigan 49508
(616) 949-6600

Transfer Agent(s):

Chemical Bank
770 Broadway
New York, New York 10003

The Fourth National Bank and Trust Company
200 East Douglas
Wichita, Kansas 67202

Citibank, N.A.
111 Wall Street
New York, New York 10015

Stock Exchange(s): American

Ticker Symbol: GLJ

Number of Employees:

1980	5,496	1977	3,182
1979	4,471	1976	2,582
1978	3,689		

Sales and Earnings

	Net Sales	Net Income
1980	$ 351,131,000	$ 13,264,000
1979	301,940,000	12,723,000
1978	243,080,000	9,839,000
1977	181,766,000	9,378,000
1976	172,005,000	13,130,000

	No. of Com. Shares #	Earn. per Share #
1980	5,205,751	$2.54
1979	5,204,316	2.42
1978	5,204,316	1.87
1977	5,204,316	1.77
1976	5,204,316	2.45

# Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.39	10%	—
1979	0.35	10%	—
1978	0.33	—	—
1977	—	10%	—
1976	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 83,640,000	$16.05
1979	72,209,000	13.87
1978	61,362,000	11.79
1977	53,245,000	10.23
1976	43,880,000	8.43

† Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Income Account *

Year ended April 30	1980	1979
Net sales	$ 351,131,000	$ 301,940,000
Other income	2,307,000	726,000
Total income	$ 353,438,000	$ 302,666,000
Cost of sales	286,803,000	244,482,000
Expenses	36,488,000	30,278,000
Interest expense	7,682,000	3,732,000
Income before taxes	$ 22,465,000	$ 24,174,000
Income taxes	9,201,000	11,451,000
Net Income	$ 13,264,000	$ 12,723,000

* Included in Costs and Expenses, Depreciation and Amortization: $3,273,000 in 1980 and $2,405,000 in 1979.

Assets

As of April 30	1980	1979
Cash	$ 8,033,000	$ 10,057,000
Notes & accts. receiv., net	19,638,000	15,306,000
Deferred taxes	2,581,000	866,000
* Inventories	125,302,000	89,818,000
Prepaid expenses	11,712,000	7,507,000
Current Assets	$ 167,266,000	$ 123,554,000
# Fixed assets	39,336,000	32,541,000
Other assets	15,004,000	9,629,000
Total Assets	$ 221,606,000	$ 165,724,000

Liabilities

Notes payable	$ 4,648,000	$ 2,838,000
Long-term debt, curr.	2,233,000	2,507,000
Accts. payable	29,276,000	19,732,000
Accrued liabilities:	16,102,000	12,832,000
Customer deposits	62,089,000	36,936,000
Income taxes	5,466,000	4,227,000
Curr. Liabilities	$ 119,850,000	$ 79,072,000
Long-term debt	16,796,000	13,671,000
Deferred inc. taxes	1,320,000	772,000
+ Common Stock	5,213,000	4,733,000
Add. paid-in capital	47,320,000	34,641,000
Retained earnings	31,107,000	32,835,000
Total Liabilities & Shareholders' Equity	$ 221,606,000	$ 165,724,000

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.40	8.01
%Net Income to Sales	3.78	4.21
%Net Income to Equity	15.86	17.62
Sales to Inventories	2.80	3.36
Working Capital	$ 47,416,000	$ 44,482,000
Current Ratio	1.40	1.56
Shareholders' Equity	$ 83,640,000	$ 72,209,000

GBC Closed Cicuit TV Corp.

315 Hudson Street
New York, New York 10013
(212) 989-4433

Officers: Harry Lefkowitz, chairman of the board & chief exec. officer; Stephen M. Lefkowitz, president; Dar Hyatt, exec. v.p.; Richard Katz, v.p.-traffic operations; Salvatore Benenati, v.p.-manufacturing; Edward Ickowiski, v.p.-engineering; Mark Mirenberg, v.p.-finance; Sydell Ranzman, secretary.

Directors: Harry Lefkowitz, chairman; Stephen M. Lefkowitz, Arthur Homans.

Areas of Work: Manufactures and distributes closed circuit television cameras, monitors, vidicons, lenses and accessories. Also involved in the installation of surveillance and security systems at industrial plant sites as well as installing and operating similar systems at public sporting events.

Subsidiaries:

GBC CCTV Washington Corporation
Riggs Rd., at 1st Place
Washington, D.C. 20011
(202) 882-6131

GBC CCTV California Corporation
20620 South Leapwood Avenue
Carson, California 90746
(213) 538-4770

GBC Electronics Manufacturing Corporation
552 Ridge Road
Princeton, New Jersey 08852

Transfer Agent(s):

Continental Stock Transfer Co.
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: GBCC (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1980	$ 7,188,835	$ 8,653
1979	8,243,586	204,601
1978	8,997,352	105,482
1977	8,458,053	125,225
1976	8,087,540	186,521

	No. of Com. Shares	Earn. per Shares #
1980	334,124	$0.03
1979	334,661	0.61
1978	338,818	0.31
1977	313,011	0.36
1976	332,832	0.50

# Based on the weighted average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	—
1978	—	10%	—
1977	—	—	—
1976	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,491,541	$7.46
1979	2,476,818	7.41
1978	2,289,792	6.76
1977	2,214,150	7.07
1976	2,173,526	6.53

Income Account *

Year ended May 31	1980	1979
Net sales	$ 7,188,835	$ 8,243,586
Other income	32,603	32,748
Total income	$ 7,221,438	$ 8,276,334
Cost of sales	4,153,273	5,210,311
Expenses	2,625,535	2,629,000
Interest expense	435,367	201,168
Income before taxes	$ 7,263	$ 235,855
Income taxes (credit)	(1,390)	31,254
Net Income	$ 8,653	$ 204,601

* Include in Costs and Expenses, Depreciation and Amortization: $62,753 in 1980 and $45,968 in 1979.

Assets

As of May 31	1980	1979
Cash	$ 19,523	$ 193,829
Accts. receiv., net	1,307,114	1,369,013
* Inventories	3,806,538	3,458,127
Other assets	117,852	210,242
Current Assets	$ 5,251,027	$ 5,231,211
Accts. receiv.	734,369	608,372
# Fixed assets	440,085	437,190
Other assets	41,946	156,368
Total Assets	$ 6,467,427	$ 6,433,141

Liabilities

Notes payable	$ —	$ 600,000
Long-term debt, curr.	682,581	539,723
Accts. payable	966,778	1,009,048
Accruals	436,082	207,287
Bank acceptances payable	193,578	218,101
Income taxes	153,707	174,196
Curr. Liabilities	$ 2,432,726	$ 2,748,355
Long-term debt	1,311,234	966,488
Deferred inc. taxes	231,926	241,480
+ Common stock	20,151	20,151
Add. paid-in capital	1,613,895	1,613,895
Retained earnings	1,187,960	1,179,307
Treasury stock	(323,340)	(323,235)
Def. value of restricted shares	(7,125)	(13,300)
Total Liabilities & Shareholders' Equity	$ 6,467,427	$ 6,433,141

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.05 par value.

Statistical Summary

% Income bef. Taxes to Sales	0.10	2.86
% Net Income to Sales	0.12	2.48
% Net Income to Equity	0.35	8.26
Sales to Inventories	1.89	2.38
Working Capital	$ 2,818,301	$ 2,482,856
Current Ratio	2.16	1.90
Shareholders' Equity	$ 2,491,541	$ 2,476,818

GCA Corporation

209 Burlington Road
Bedford, Massachusetts 01730
(617) 275-9000

Officers: Milton Greenberg, chairman of the board, president & chief executive officer; Edward Yurcisin, executive vice president; James E. Gallagher, sr. v.p.-operations; Ephraim Radner, sr. v.p.-finance, treasurer & secretary; Joseph P. Andrews, Paul W. Reagan, Carl H. Koning, Leonard M. Seale, Burton W. Wheeler, Jr., v.p.'s; Philip H. Chaffee, v.p. & controller; Warren R. Davidson, v.p.-corp. relations; Michael I. Sandler, v.p.-human resources; Richard D. Stewart, v.p.-corp. development.

Directors: E. Borgers, M. Greenberg, K. Thornhill, E. Radner, T. Levitt, J. Balfour, Ephraim Radner.

Areas of Work: Manufactures industrial equipment (semiconductor production equipment, laboratory instruments and vacuum metals processing systems) and carries out environmental research and development programs.

Divisions:

GCA/Vacuum Industries
5 Middlesex Avenue
Somerville, Massachusetts 02145
(617) 666-5450

Standard vacuum furnaces, pumping systems, welding chambers, sintering and melting furnaces, automatic welding systems, special furnaces, evaporator systems.

GCA/Precision Scientific Group
3737 West Cortland Street
Chicago, Illinois 60647
(312) 227-2660

Laboratory equipment such as dilutors and dispensers, incubators, serological baths, constant temperature ovens, laboratory clamps, vacuum pumps, laboratory centrifuges, petroleum analytical apparatus; also produces process monitoring andcontrol instruments (on-line and labostory); and tensile testers.

GCA/Technology Division
213 Burlington Road
Bedford, Massachusetts 01730
(617) 275-5444

Environmental services & technology programs related to solving problems of environmental pollution for government, industry & utilities. Development & manufacture of detecting, sensing & measuring instruments related primarily to pollution.

GCA International
Kreuzlingen, Switzerland

GCA/California Operations
3570 Ryder St.
Santa Clare, California 95050
(508) 732-5330

Maunfactures automated handling and process control systems used in "front end" production of semiconductor manufacturing, ion implantation equipment and bonders.

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): New York

Ticker Symbol: GCA

Number of Employees:

1980	2,424	1977	1,042
1979	1,741	1976	1,100
1978	1,241		

Plant Footage:

1980	770,000 sq. ft.	1977	415,000
1979	515,000	1976	400,000
1978	465,000		

Sales and Earnings

	Net Sales	Net Income
1980	$170,083,000	$ 13,099,000
1979	96,600,000	5,340,000
1978	62,063,000	2,760,000
1977	52,382,000	1,730,000
1976	41,257,000	548,000

	No. of Com. Shares #	Earn. per Share #
1980	4,836,000	$2.71
1979	4,251,000	1.26
1978	4,144,000	0.67
1977	4,122,000	0.42
1976	4,105,000	0.13

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1980	1979
Industrial prod. equipment	$116,012,000	$ 54,150,000
Scientific & anayltical equipment	29,674,000	26,916,000
Other	24,397,000	15,534,000
Total	$170,083,000	$ 96,600,000

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1980	$0.167	50%	—
1979	0.089	50%	—
1978	0.067	—	—
1977	0.044	—	—

# Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 62,073,000	$12.84
1979	33,146,000	7.80
1978	27,533,000	6.64
1977	25,029,000	6.97
1976	23,480,000	5.72

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

GCA Corporation

Income Account *

Year ended	12/28/80	12/30/79
Net sales	$170,083,000	$ 96,600,000
Cost of sales	109,792,000	64,885,000
Expenses	35,214,000	19,886,000
Interest expense	2,079,000	2,136,000
Income before taxes	$ 22,998,000	$ 9,693,000
Income taxes	9,899,000	4,353,000
Net Income	$ 13,099,000	$ 5,340,000

*Included in Costs and Expenses, Depreciation and Amortization: $2,071,000 in 1980 and $1,439,000 in 1979.

Assets

As of	12/28/790	12/28/80
Cash	$ 4,948,000	$ 1,822,000
Accts. receiv., net	43,189,000	2,169,000
Prepaid inc. taxes	1,855,000	612,000
*Inventories	36,702,000	30,442,000
Prepaid expenses	1,881,000	1,591,000
Current Assets	$ 88,575,000	$ 54,636,000
# Fixed assets	21,830,000	12,767,000
Intangibles	6,517,000	6,517,000
Total Assets	$116,922,000	$ 73,920,000

Liabilities

Accts. payable	$ 10,525,000	$ 6,390,000
Accruals	12,931,000	7,786,000
Income taxes	5,694,000	2,828,000
Curr. Liabilities	$ 29,150,000	$ 17,004,000
Long-term debt	19,406,000	18,579,000
Oblig. under cap. leases	2,904,000	3,088,000
Deferred inc. taxes	3,389,000	2,103,000
+ Common stock	2,907,000	1,655,000
Add. paid-in capital	26,840,000	9,750,000
Retained earnings	33,389,000	22,042,000
Restricted stock	(1,063,000)	(301,000)
Total Liabilities & Shareholders' Equity	$116,922,000	$ 73,920,000

*At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $0.60 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.52	10.03
%Net Income to Sales	7.70	5.53
%Net Income to Equity	21.10	16.11
Sales to Inventories	4.63	3.17
Working Capital	$ 59,425,000	$ 37,632,000
Current Ratio	3.04	3.21
Shareholders' Equity	$ 62,073,000	$ 33,146,000

General Automation, Inc.

1055 S. East Street
P.O. Box 4883
Anaheim, California 92805
(714) 778-4800

Officers: Leonard Mackenzie, chairman of the board, president & chief exec. officer; Richard A. Cortese, v.p.-mfg.; Robert Gilchrist, v.p.-development & planning; Donald R. Haring, v.p.-research & development; Michael A. Kelly, v.p.-European Operations; John D. Murray, v.p.-finance & treasurer; Irwin L. Kwatek, v.p.-legal & secretary; Steven R. McKenzie, v.p.-marketing; Melvin E. Stever, v.p.-customer service; Charles A. Wolf, v.p.-Far East.

Directors: Leonard N. Mackenzie, chairman of the board; James Vance, John B. Conlan, Jr. Dennis H. Nystrom, Henry Ugarte.

*Member of Executive Committee.

Areas of Work: Produces manufacturing control computers and mini-controllers which include computer peripheral controllers, communication controllers, analog-to-digital and digital-to analog converters, analog output units, terminals, microprocessors, and other input/output devices.

Subsidiaries:

Computek
143 Albany Street
Cambridge, Massachusetts 02139
(617) 864-5140

Lamination Technology
2720 South Main Street
Santa Ana, California 92707
(714) 556-1460

National Technology
220 West Central
Santa Ana, California 92707
(714) 546-6186

Exact Image
1620 East Ball Road
Anaheim, California 92805
(714) 956-1620

Transfer Agent(s):

Bank of America
Corporate Agency Division
555 So. Flower Street
Los Angeles, California 90071

Stock Exchange(s): Over-the-Counter

Ticker Symbol: GENA (NASDAQ)

Number of Employees:

1979	2,350	1977	1,875
1978	2,230	1976	1,850

Plant Footage:

1979	620,000 sq. ft.	1977	550,000
1978	610,000	1976	475,000

Sales and Earnings

	Net Sales	Net Income ‡
1980	$125,809,000	$ (14,933,000)
1979	115,675,000	2,510,000
1978	98,380,000	6,173,000
1977	84,476,000	1,874,000
1976	70,737,000	(769,000)

	No. of Com. Shares	Earn. per Share + ‡
1980	2,541,580	$ —
1979	2,528,945	0.97
1978	2,502,185	2.43
1977	2,488,515	0.75
1976	2,488,495	—

(Loss)
‡ Including extraordinary credits of $165,000 ($0.06 per share) in 1980, $1,565,000 ($0.61 per share) in 1979, $2,208,000 ($0.87 per share) in 1978 and $420,000 ($0.17 per share) in 1977.
+ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 23,005,000	$9.05
1979	37,836,000	14.96
1978	35,134,000	14.04
1977	29,355,000	11.80
1976	27,481,000	11.04

Income Account *

Year ended July 31	1980	1979
Net sales	$125,809,000	$115,675,000
Cost of sales	88,955,000	69,506,000
Expenses	44,864,000	40,045,000
Interest expense	7,674,000	4,886,000
Other expense (income)	286,000	(525,000)
Prov. for loss on dispos.	4,000,000	—
Income (loss) before taxes	$ (19,970,000)	$ 1,763,000
Income taxes (credit)	(4,872,00)	818,000
Net Income (Loss)	$ (15,098,000)	$ 945,000
Extraordinary gain	165,000	1,565,000
Net Income (Loss) & extraord. gain	$ (14,933,000)	$ 2,510,000

*Included in Costs and Expenses, Depreciation and Amortization: $4,038,000 in 1980 and $3,119,000 in 1979.

Assets

As of July 31	1980	1979
Cash	$ 2,630,000	$ 1,741,000
Accts. receiv., net	29,159,000	37,360,000
Refund. inc. taxes	2,455,000	—
*Inventories	34,555,000	36,856,000
Prepaid expenses	1,555,000	1,359,000
Current Assets	$ 70,354,000	$ 77,316,000
# Fixed assets	20,655,000	18,825,000
Deferred inc. taxes	2,113,000	—
Other assets	698,000	1,954,000
Total Assets	$ 93,820,000	$ 98,095,000

Liabilities

Notes payable & long-term debt, curr.	$ 2,848,000	$ 1,730,000
Accts. payable	10,328,000	10,860,000
Advance from customers	3,017,000	1,311,000
Accruals	6,190,000	5,988,000
Income taxes	278,000	729,000
Est. dispos. costs	2,750,000	—
Curr. Liabilities	$ 25,411,000	$ 20,618,000
Long-term debt	45,404,000	39,206,000
Deferred inc. taxes	—	435,000
+ Common stock	254,000	253,000
Add. paid-in capital	25,824,000	25,723,000
Retained earnings (deficit)	(3,073,000)	11,860,000
Total Liabilities & Shareholders' Equity	$ 93,820,000	$ 98,095,000

*At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	1.52
%Net Income to Sales	—	0.82
%Net Income to Equity	—	2.50
Sales to Inventories	3.64	3.14
Working Capital	$ 44,943,000	$ 56,698,000
Current Ratio	2.77	3.75
Shareholders' Equity	$ 23,005,000	$ 37,836,000

General Binding Corporation

(55.7% owned by Lane Industries, Inc.)

One GBC Plaza
Northbrook, Illinois 60062
(312) 272-3700

Officers: Warren R. Rothwell, chairman; John E. Preschlack, president & chief exec. officer; William N. Lane, III, vice chairman; Robert H. Holyoke, Paul A. Jason, John M. Kuhn, sr. v.p.'s; John V. Day, Bill L. Fosnaugh, Govi C. Reddy, Joseph J. LaPorte, v.p.'s; Graham S. Johnston, exec. v.p.; Frank J. Lenahan, v.p. & treasurer; Victor L. Lewis, v.p. & general counsel; Steven Rubin, secretary & corp. counsel.

Directors: Edward McC. Blair, John M. Kuhn, Victor L. Lewis, Arthur C. Nielsen, Jr., Warren R. Rothwell, Graham S. Johnston, Thomas V. Kalebic, William N. Lane, III, John E. Preschlack, Leslie R. Graham.

Areas of Work: Engaged in the design, manufacture, and distribution of a broad line of business machines and related supplies which bind, laminate, collate, fold and shred printed materials. Also manufactures and distributes photo identification systems, label printing presses and ring elements for looseleaf binders.

Divisions and Subsidiaries:

U.S. Ring Binder Corp.
New Bedford, Massachusetts

Advance Tooling and Engineering Co., Inc.
South El Monte, California

GBC Deutschland GmbH
Germany

General Binding Corp. (Australia) Pty. Ltd.
Castle Hill, Australia

General Binding Corporation (Canada) Limited
Don Mills, Ontario, Canada

General Binding Company Limited (United Kingdom)
Camberley, Surrey, England

GBC France S.A.
LaCourneuve, France

GBC General Binding (Nederland) B.V.
Hoofddorp, The Netherlands

General Binding Corp. (Italia) S.p.A.
Tornaco, Italy

GBC Japan K.K.
Noda, Japan

GBC Mexicana S.A. de C.V.
Mexico City, Mexico

GBC (Schweiz) A.G.
Wollerau, Switzerland

GBC Business Equipment, Inc.
  O & M Folders
  Shredmaster Shredders
  Webtron Presses
    Webtron GmbH
    Darmstadt, Germany

Transfer Agent(s):

Harris Trust and Savings Bank
Chicago, Illinois

Stock Exchange(s): Over-the-Counter

Ticker Symbol: GBND (NASDAQ)

Number of Employees:

1980	2,764	1978	2,489
1979	2,809		

Sales and Earnings*

	Net Sales	Net Income
1980	$ 139,562,000	$ 8,255,000
1979	126,585,000	7,043,000
1978	105,416,000	5,265,000
1977	82,390,000	3,164,000
1976	67,780,000	4,800,000

	No. of Com. Shares	Earn. per Share +
1980	5,008,645	$1.65
1979	5,004,187	1.41
1978	5,004,027	1.04
1977	5,145,187	0.61
1976	5,209,419	0.92

+ Based on the average number of common shares outstanding.
* Restated to reflect change in accounting method to comply with FASB statement No. 43 concerning compensated absences.

Revenues By Line of Business

	1980	1979	1978	1977
Business machines	34%	32%	32%	33%
Related supplies & other products	66	68	68	67
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.21	—	—
1979	0.155	—	—
1978	0.125	—	—
1977	0.115	—	—
1976	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 58,161,000	$11.61
1979	50,923,000	10.18
1978	44,661,000	8.93
1977	40,139,000	7.80
1976	38,219,000	7.34

Income Account *
(000's)

Year ended Dec. 31	1980	1979 ‡
Net sales	$ 139,562	$ 126,585
Cost of sales	72,521	68,510
Expenses	50,283	44,383
Interest expense	3,438	2,911
Other expense (income)	602	(155)
Income before taxes	$ 12,718	$ 10,936
Income taxes	4,463	3,893
Net Income	$ 8,255	$ 7,043

* Included in Costs and Expenses, Depreciation and Amortization: $3,588,000 in 1980 and $3,394,000 in 1979.
‡ Restated to reflect change in accounting method.

Assets
(000's)

As of Dec. 31	1980	1979 ‡
Cash	$ 2,043	$ 2,255
Receiv., net	27,835	27,766
* Inventories	33,394	29,407
Prepaid expenses	3,147	2,484
Current Assets	$ 66,419	$ 61,912
# Fixed assets	29,459	30,142
Other assets	7,277	5,163
Total Assets	$ 103,155	$ 97,217

Liabilities
(000's)

Loans payable	$ 5,824	$ 4,192
Long-term debt, curr.	534	468
Accts. payable	6,596	7,334
Accruals	4,575	3,942
Accrued payroll	3,044	3,005
Income taxes	2,537	2,339
Other taxes	946	1,295
Curr. Liabilities	$ 24,056	$ 23,295
Long-term debt	18,847	20,880
Deferred inc. taxes	2,091	2,119
+ Common stock	654	653
Add. paid-in capital	4,856	4,777
Retained earnings	54,959	47,755
Treasury stock	(2,308)	(2,262)
Total Liabilities & Shareholders' Equity	$ 103,155	$ 97,217

‡ Restated to reflect change in accounting method.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.125 par value.

Statistical Summary

% Income bef. Taxes to Sales	9.11	8.64
% Net Income to Sales	5.91	5.56
% Net Income to Equity	14.19	13.83
Sales to Inventories	4.18	4.30
Working Capital	$ 42,363,000	$ 38,617,000
Current Ratio	2.76	2.66
Shareholders' Equity	$ 58,161,000	$ 50,923,000

General DataComm Industries, Inc.

One Kennedy Avenue
Danbury, Connecticut 06810
(203) 797-0711

Officers: Charles P. Johnson, chairman of the board & president; Kenneth P. Peterson, sr. v.p.-operations; Frederick R. Cronin, v.p.-planning & technology; Robert S. Smith, v.p.-product management/marketing services; Hubert J. Tremblay, v.p.-marketing & sales; James R. Arcara, v.p.-administration; William S. Lawrence, v.p.-finance; James W. McNabb, v.p.-subsidiary operations; Howard S. Modlin, secretary.

Directors: Charles P. Johnson, chairman; Howard S. Modlin, Paul J. Mejean, Frederick R. Cronin, Gerald J. Fischer, Lee M. Paschall, Paul G. Herrinston, Jr., Harold M. Small.

Areas of Work: Markets data communications equipment systems and services. Products include: data couplers, time division and frequency division multiplexers, synchronous, asynchronous, rack mount, OEM modems and loop products.

Subsidiaries:

DataComm Leasing Corporation
DataComm Service Corporation
General DataComm Industries (Canada) Ltd.
General DataComm International Corporation
General DataCommunications Industries, B.V.
General DataCommunications Industries, S.A.
General DataComm Systems, Inc.
DataComm Rental Corporation
General DataComm do Brasil Industria e Commercio Ltda.
General DataComm (U.K.) Limited

Transfer Agent(s):

American Transfer Company
44 Beaver Street
New York, New York

Stock Exchange(s): New York

Ticker Symbol: GDC

Number of Employees:

1980	1,015	1977	396
1979	715	1976	342
1978	552		

Plant Footage:

1980	150,000 sq. ft.	1977	150,000
1979	150,000	1976	150,000
1978	150,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 53,635,000	$ 4,411,000
1979	41,414,000	3,236,000
1978	30,997,000	2,274,000
1977	20,032,000	1,307,000
1976	15,955,939	852,908

	No. of Com. Shares #	Earn. per Share ‡ #
1980	5,759,000	$0.77
1979	5,257,000	0.61
1978	5,219,000	0.44
1977	5,002,000	0.26
1976	4,819,000	0.18

‡ Including extraordinary credit of $373,900 ($0.26 per share) in 1976.
# Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	3-for-2‡
1979	—	—	—
1978	—	—	3-for-2 +

+ In the form of a 50% stock dividend.
‡ Declared Nov., 1980.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 24,695,000	$4.29
1979	12,128,000	2.31
1978	8,736,000	1.67
1977	6,406,000	1.28
1976	5,063,044	1.05

+ Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 53,635,000	$ 41,414,000
Minority interest	278,000	310,000
Total revenues	$ 53,913,000	$ 41,724,000
Cost of sales	29,792,000	23,391,000
Expenses	14,380,000	11,072,000
Interest expense	1,619,000	1,310,000
Other expense (income)	29,000	(42,000)
Income before taxes	$ 8,093,000	$ 5,993,000
Income taxes	3,682,000	2,757,000
Net Income	$ 4,411,000	$ 3,236,000

*Included in Costs and Expenses, Depreciation and Amortization: $1,532,000 in 1980 and $1,173,000 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 703,000	$ 160,000
Accts. receiv., net	15,643,000	9,999,000
Investments	373,000	235,000
*Inventories	24,828,000	15,530,000
Prepaid expenses & other assets	892,000	521,000
Current Assets	$ 42,439,000	$ 26,445,000
Investment & advances	1,084,000	806,000
# Fixed assets	10,146,000	8,215,000
Other assets	646,000	171,000
Total Assets	$ 54,315,000	$ 35,637,000

Liabilities

	1980	1979
Cap. lease oblig. curr.	$ 626,000	$ 455,000
Accts. payable	7,572,000	5,980,000
Accruals	4,239,000	3,053,000
Inc. taxes payable	2,006,000	1,760,000
Mortgage payable	127,000	118,000
Curr. Liabilities	$ 14,570,000	$ 11,366,000
Revolv. credit notes	8,900,000	6,700,000
Cap. lease oblig.	1,567,000	1,147,000
Mortgages payable	2,839,000	2,966,000
Deferred income	441,000	460,000
Deferred inc. taxes	1,303,000	870,000
+ Common stock	402,000	230,000
Add. paid-in capital	13,571,000	5,587,000
Retained earnings	10,737,000	6,326,000
Treasury stock	(15,000)	(15,000)
Total Liabilities & Shareholders' Equity	$ 54,315,000	$ 35,637,000

*At lower of cost (FIFO) or market.
Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	15.09	14.47
%Net Income to Sales	8.22	7.81
%Net Income to Equity	17.86	26.68
Sales to Inventories	2.16	2.67
Working Capital	$ 27,869,000	$ 15,723,000
Current Ratio	2.91	2.47
Shareholders' Equity	$ 24,695,000	$ 12,128,000

General Dynamics Corporation

Pierre Laclede Center
St. Louis, Missouri 63105
(314) 862-2440

Officers: David S. Lewis, chairman & chief exec. officer; Oliver C. Boileau, president, Lester Crown, exec. v.p.; James M. Beggs, exec. v.p.-aerospace; P. Takis Veliotis, exec. v.p.-Marine Gen. Mgr., Electric Boat; Guy W. Fiske, exec. v.p.-Commercial; Gorden E. MacDonald, exec. v.p.-finance; Leonard F. Buchanan, Ralph E. Hawes, Richard E. Adams, vice presidents; Otto J. Glasser, v.p.-int'l (Washington); Lyman C. Josephs, v.p.-int'l; Frederick S. Wood, v.p.-contracts & pricing; Warren G. Sullivan, v.p. industrial relations; Robert H. Widmer, v.p.-science & engineering; Edward J. LeFevre, v.p. gov't. relations; Edward E. Lynn, v.p. & general counsel; James J. Cunnane, v.p. & controller; Wayne Wells, v.p. & treasurer; John P. Maguire, secretary.

Directors: David S. Lewis*, chairman; Guy W. Fiske, Oliver C. Boileau*, James M. Beggs, Donald C. Cook, Henry Crown*, Nathan Cummings*, Lester Crown, Milton Falkoff, Albert E. Jenner, Jr.*, Earl D. Johnson, Edward E. Lynn, Gorden E. MacDonald*, Elliot H. Stein, Thomas G. Ayers, Harvey E. Kapnick, P.T. Veliotis.

*Member of Executive Committee.

Areas of Work: Engaged in the development of marine systems, ships, aircraft, space boosters, tactical missiles and weapons, data processing equipment and sound systems, computer output microfilm, military electronics, telephone switching systems and transmissions equipment for both voice and data communications; minerals and building materials.

Divisions:

Convair Division
5001 Kearny Villa Road
San Diego, California 92123
(714) 277-8900

Electric Boat Division
Eastern Point Road
Groton, Connecticut 06340
(203) 446-5960

Electronics Division
5011 Kearny Villa Road
San Diego, California 92123
(714) 279-7301

Fort Worth Division
North Grants Lane
Fort Worth, Texas 76108
(817) 732-4811

Pomona Division
1675 West Mission Boulevard
Pomona, California 91766
(714) 629-5111

Quincy Shipbuilding Division
97 E. Howard Street
Quincy, Massachusets 02169
(617) 471-4200

Subsidiaries:

American Telecommunications Corp.
9620 Flair Dr.
El Monte, California 91731
(213) 579-1719

Asbestos Corporation Limited
1155 Metcalfe Street
Montreal H3B 2X6, Quebec, Canada
(514) 861-8201

DatagraphiX, Inc.
10981 San Diego Mission Road
San Diego, California 92108
(714) 291-9960

Marblehead Lime Company
300 W. Washington Street
Chicago, Illinois 60606
(312) 726-3800

Material Service Corporation
300 W. Washington Street
Chicago, Illinois 60606
(312) 372-3600

Freeman United Coal Mining Company
300 W. Washington Street
Chicago, Illinois 60606
(312) 263-2800

General Dynamics Communications Company
12101 Woodcrest Executive Drive
St. Louis, Missouri 63141

Stromberg-Carlson Corporation
1000 North Ashley Drive
Tampa, Florida 33601

Transfer Agent(s):

Bradford Trust Company
Two Broadway
New York, New York 10004

Bank of America N.T.& S.A.
P.O. Box 37000
San Francisco, California 94137

The First Jersey National Bank
One Exchange Place
Jersey City, New Jersey 07302

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Montreal Trust Company
777 Dorchester Boulevard West
Place Ville Marie
Montreal 113, Quebec, Canada

General Dynamics Corporation
(common & preferred)
Pierre Laclede Center
St. Louis, Missouri 63105

Stock Exchange(s): New York, Midwest, Pacific, Montreal

* Listed and/or traded.

Ticker Symbol: GD

Number of Employees:

1980	84,400	1977	73,300
1979	81,600	1976	71,600
1978	77,100		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 4,742,700	$ 195,000
1979	4,059,576	185,156
1978	3,205,205	(48,088)
1977	2,901,185	103,376
1976	2,553,500	99,600

	No. of Com. Shares #	Earn. per Share #
1980	53,700,000	$3.58
1979	53,316,000	3.43
1978	53,534,000	—
1977	54,370,000	1.90
1976	54,640,000	1.82

(Loss)
# Based on weighted average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

(000's)

	1980	1979
United States:		
Gov't aerospace	$ 2,517,400	$ 1,935,000
Submarines	901,900	678,000
Commercial ships	175,500	255,000
Telecommunications	261,600	271,000
Other industries	788,600	774,000
Canada:		
Asbestos	97,700	147,000
Total	$ 4,742,700	$ 4,060,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	2-for-1
1979	—	—	—
1978	—	—	2½-for-1

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 999,400,000	$18.54
1979	826,436,000	15.54
1978	673,977,000	12.76
1977	732,854,000	13.78
1976	644,200,000	11.86

† Adjusted to reflect stock splits.

Income Account *

(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 4,742,700	$ 4,059,576
Cost of sales & expenses	4,484,100	3,762,587
Minority interest	1,500	6,100
Interest expense	16,100	10,113
Other income	(16,100)	(9,326)
Income before taxes	$ 257,100	$ 290,102
Income taxes	62,000	104,946
Net Income	$ 195,100	$ 185,156

* Included in Costs and Expenses, Depreciation,Depletion and Amortization: $117,800,000 in 1980 and $100,109,000 in 1979.

Assets

(000's)

As of Dec. 31	1980	1979
Cash	$ 23,300	$ 42,300
Accts. receiv., net	319,700	273,800
Gov't contracts in progress	600,000	475,600
Comm. programs in progress	92,000	21,000
* Inventories	333,600	252,600
Prepaid expenses	23,400	12,800
Current Assets	$ 1,392,000	$ 1,078,100
# Fixed assets	829,800	733,600
Invest. & other assets	214,000	193,100
Total Assets	$ 2,435,800	$ 2,004,800

Liabilities

(000's)

Notes payable & long-term debt, curr.	$ 217,800	$ 24,500
Accts. payable	317,300	321,200
Accruals	285,500	226,500
Prov. for loss	100,700	146,600
Income taxes	5,800	6,100
Curr. Liabilities	$ 927,100	$ 724,900
Long-term debt	47,500	53,300
Cap. lease oblig.	11,400	13,600
Minority interest	61,200	61,100
Deferred inc. taxes	284,500	235,900
Other liabilities	75,900	60,100
+ Redeem. pref. stock	28,800	29,500
+ Common stock	84,800	80,100
Retained earnings	937,200	778,500
Treasury stock	(22,600)	(32,200)
Total Liabilities & Shareholders' Equity	$ 2,435,800	$ 2,004,800

* At lower of cost (LIFO and average) or market.
# Less accumulated depreciation, depletion and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.42	7.15
%Net Income to Sales	4.11	4.56
%Net Income to Equity	19.51	22.40
Sales to Inventories	14.22	16.07
Working Capital	$ 464,900,000	$ 353,200,000
Current Ratio	1.50	1.49
Shareholders' Equity	$ 999,400,000	$ 826,436,000

General Electric Company

Fairfield, Connecticut 06431
(203) 373-2431

Officers: Reginald H. Jones, chairman of the board & chief executive officer; John F. Burlingame, Edward E. Hood, Jr., vice chairmen; John F. Welch, Jr., chairman-elect; executive vice presidents: James A. Baker-Industrial Products & Components Sector; Robert R. Frederick-International Sector; Herman R. Hill-Power Systems Sector; Christopher T. Kastner-Technical Systems & Materials Sector; Paul W. Van Orden-Consumer Products & Services Sector; Alexander M. Wilson-chairman of the board & chief executive officer, Utah International, Inc.; senior vice presidents: Daniel J. Fink-corp. planning & development; Thomas O. Thorsen-finance; Arthur M. Bueche-corp. technology; Leonard C. Maier, Jr.-corp. relations; Walter A. Schlotterbeck-general counsel & secretary; Robert B. Kurtz-corp. production & operating services; Roy H. Beaton-Nuclear Energy Group; George B. Cox-Turbine Group; Brian H. Rowe-Aircraft Engine Group; Charles R. Carson-Engineered Materials Group; Ralph D. Ketchum-Lighting Group; Van W. Williams-Motors Group; Donald S. Bates-Information & Communications Systems Group; Richard O. Donegan-Major Appliances Group; Louis V. Tomasetti-Aerospace Group; James P. Curley-Contractor Equipment Group; Donald K. Grierson-Industrial Electronics Group; John A. Urquhart-Power Delivery Group: vice presidents: R. Howard Annin, Jr.-Northeastern Regional relations; Theodore P. LeVino-executive man-power; Roland W. Schmitt-corp. research & development; Thomas R. Casey-medical director; Edward H. Malone-trust investments operation; Cecil S. Semple-corp.customer relations; Kristian H. Christiansen-Southeastern Regional Relations; Terence E. McClary-corp. financial administration; James J. Costello-controller; John B. McKitterick-corp. development; Frank P. Doyle-corp. employee relations; William B. Frogue-Southwestern Regional Relations; Marion S. Kellogg-corp. consulting services; Phillips S. Peter-corp. gov't. relations operation; Harry M. Lawson-Western Regional relations; Iver J. Petersen-Central Regional relations; William C. Lester-East Central Regional relations; Donald D. Scarff-Atlantic Regional relations; vice presidents: James R. Donnalley, Jr., Corp. Environmental Issues Project, Dale F. Frey-treasurer, Fred W. Garry-corp. engineering, Raymond F. Letts-corp. operating services.

Directors: J. Paul Austin, John E. Lawrence, John F. Burlingame, Edward E. Hood, Jr., John F. Welch, Jr., Ralph Lazarus, Edmund W. Littlefield, Gilbert H. Scribner, Jr., Walter B. Wriston, James G. Boswell, II, Reginald H. Jones, Charles D. Dickey, Jr., Henry L. Hillman, Silas S. Cathcart, Henry H. Henley, Jr., Samuel R. Pierce, Jr., Gertrude G. Michelson, Lewis T. Preston, George M. Low, Richard T. Baker.

Areas of Work: Representative products and services within each major category: Industrial Products and Components: appliance controls, small motors and electronic components such as capacitors and semiconductors, electrical distribution and circuit protective equipment, motors, controls and drives for general industrial use and rail transportation equipment, components for off-highway vehicles sold to industrial users, locomotives which are sold principally to domestic and foreign railroads. Power Systems: steam turbine generators, nuclear power reactors; nuclear fuel assemblies, transformers, power circuit breakers, switchgear, meters. Technical systems and Materials: jet engines for aircraft, industrial and marine applications, missile launch, guidance and re-entry systems,earth orbiting satellites, radar and sonar systems, armament systems, aerospace instruments and aircraft instrumentation and controls, engineering plastics, silicones, industrial cutting materials, laminated and insulating materials, medical and communications equipment, diagnostic imaging and patient monitoring equipment, including X-ray machines, mobile radio and data communication equipment, time sharing, computing and remote data processing services. Consumer Products and Services; air conditioners, appliance service broadcasting, clothes washers and dryers, dishwashers, lamps, personal and portable appliances, radio and television receivers, ranges, refrigerators, and audio products. General Electric Credit Corporation, a wholly-owned non-consolidated affiliate, is engaged in consumer, commercial and industrial financing and in the life insurance and fire insurance industries. Natural Resources: through a wholly-owned affiliate. Utah International Inc., activities include the mining of steam coal and copper, ocean shipping and land development.

Divisions and Subsidiaries:

Consumer Products and Services Sector
  Lighting Business Group
  Major Appliance Business Group
  Air Conditioning Business Division
  Housewares and Audio Business Division
  Television Division
  General Electric Credit Corporation

Industrial Products and Components Sector
  Contractor Equipment Business Group
  Industrial Electronics Business Group
  Motor Business Group
  Apparatus Service Business Division
  General Electric Supply Company Business Division
  Transportation Systems Business Division
  Industrial Sales Division
  Industrial Products and Components Customer and Industry Relations Operation

Power Systems Sector
  Nuclear Energy Business Group
  Power Delivery Group
  Turbine Business Group
  Installation and Service Engineering Business Division
  Electric Utility Sales Division
  Energy Systems and Technology Division

Technical Systems and Materials Sector
  Aerospace Business Group
  Aircraft Engine Business Group
  Engineered Materials Group
  Information and Communication Systems Group
  Medical Systems Business Division
  Advanced microelectronics operations

International Sector
  International Trading & Construction Operations
  Europe and Africa Operations
  Latin American Operations
  Far East Area Division
  Canadian General Electric Company

Utah International, Inc.
  Mining Division
  Mineral Development and Exploration Division
  Ladd Petroleum Corporation
  Australasia Division

Transfer Agent(s):

General Electric Company
Securities Transfer Operation
570 Lexington Avenue
New York, New York 10022

The First National Bank of Boston
Shareholders Services Division
P.O. Box 644
Boston, Massachusetts 02102

General Electric Company

Stock Exchange(s): New York, Midwest*, Pacific*, Paris, Cincinnati, Philadelphia*, Boston, London

* Unlisted trading privileges.

Ticker Symbol: GE

Number of Employees:

1980	402,000	1977	384,000
1979	405,000	1976	380,000
1978	401,000		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 24,959,000	$ 1,514,000
1979	22,460,600	1,408,800
1978	19,653,800	1,229,700
1977	17,518,600	1,088,200
1976	15,697,300	930,600

	No. of Com. Shares †	Earn. per Share †
1980	227,541,000	$6.65
1979	227,173,000	6.20
1978	227,985,000	5.39
1977	227,154,000	4.79
1976	225,791,000	4.12

† Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.95	—	—
1979	2.75	—	—
1978	2.50	—	—
1977	2.10	—	—
1976	1.70	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1980	$ 8,200,000	$36.00
1979	7,362,300	32.31
1978	6,586,700	28.88
1977	5,942,900	26.05
1976	5,252,900	23.18

Income Account
(000's)

Year ended Dec. 31	1980	1979
Net sales & services	$ 24,959,000	$ 22,460,600
Cost of sales	17,751,000	15,990,700
Expenses	4,258,000	3,715,900
Other income	(564,000)	(519,400)
Interest expense	314,000	258,600
Depreciation, depletion & amortization	707,000	625,100
Income before taxes	$ 2,493,000	$ 2,390,700
Income taxes	958,000	953,400
Minority interest	21,000	28,500
Net Income	$ 1,514,000	$ 1,408,800

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 1,601,000	$ 1,904,300
Marketable securities	600,000	672,300
Receiv., net	4,339,000	3,646,600
*Inventories	3,343,000	3,161,300
Current Assets	$ 9,883,000	$ 9,384,500
Investments	1,820,000	1,691,500
#Fixed assets	5,780,000	4,612,800
Other assets	1,028,000	955,700
Total Assets	$ 18,511,000	$ 16,644,500

Liabilities
(000's)

Notes payable	$ 1,093,000	$ 871,000
Accts. payable	1,671,000	1,476,700
Accruals	1,946,000	1,752,700
Prog. collection	2,084,000	1,957,000
Dividends payable	170,000	158,800
Accrued taxes	628,000	655,600
Curr. Liabilities	$ 7,592,000	$ 6,871,800
Long-term debt	1,000,000	946,800
Other liabilities	1,565,000	1,311,900
Minority interest	154,000	151,700
+Common stock	579,000	578,700
Add. paid-in capital	659,000	656,300
Retained earnings	7,151,000	6,307,600
Treasury stock	(189,000)	(180,300)
Total Liabilities & Shareholders' Equity	$ 18,511,000	$ 16,644,500

* All inventories at LIFO in U.S., FIFO outside U.S.
# Less accumulated depreciation.
+ $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.99	10.64
%Net Income to Sales	6.07	6.27
%Net Income to Equity	18.46	19.14
Working Capital	$ 2,291,000,000	$ 2,512,300,000
Current Ratio	1.30	1.37
Shareholders' Equity	$ 8,200,000,000	$ 7,362,300,000

General Instrument Corporation

Executive Offices:

1775 Broadway
New York, New York 10019
(212) 974-8700

General Offices:

225 Allwood Road
Clifton, New Jersey 07012
(201) 770-3000

Officers: Frank G. Hickey, chairman and chief executive; John A. DeVries, sr. v.p.-data systems and services; Rein Narma, sr. v.p.-components; Edgar A. Sack, sr. v.p.-microelectronics; Frederick Shuh, sr. v.p.-broad-band communications: Frank F. Cleminshaw, v.p. and treasurer; Robert E. Davis, v.p.-human resources; Richard H. Fuller, v.p.-digital communications systems; Paul N. Meyer, v.p.-finance and chief financial officer; Lewis Solomon, v.p.-new ventures; Frank L. Sterling, v.p.-strategic planning; Cornelius F. Sullivan, v.p., secretary, and controller.

Directors: Martin C. Barell, Carl P. Clare*, Monte Cohen*, Henry Hirch*, Thomas L. Kempner, Moses Shapiro*, J.B. Cordell, J.E. Goldman, R.S. Rosenbloom, R.N. Rosett, A.M. Stone.

*Member of Executive Committee.

Areas of Work: Major business segments are data products, cable TV products, semiconductor products, and components products. Data products are computerized systems for legalized wagering, department store point-of-sale, and payment processing. Cable TV offers a variety of products and services for the cable television industry including active and passive electronics, construction and "turnkey" design and subscriber terminals, and industrial broadband communications, digital converters, and devices to increase channel capacity. Semiconductor products consist of discrete devices and integrated circuits, including large scale integrated circuits and systems and hybrid assemblies, read only memories, and speech processors. Component products include consumer and industrial electromechanical products such as TV and automotive radio tuners, radio products, mechanical, electro-optical, LED, and solid state subsystems.

Divisions and Subsidiaries:

Component Products

Clare Division
Chicago, Illinois (Headqarters)
Guadalajara, Mexico
Toronto, Ontario, Canada
Tongeren, Belgium
Cambrai, France

Lamp Division
Chicago, Illinois (Headquarters)
Bury St. Edmunds, England
Chesham, England

Computer Products Division
El Paso, Texas (Headquarters)
Post Falls, Idaho
Juarez, Mexico
Guadalajara, Mexico
Tongeren, Belgium
Taipei, Taiwan

Broadband Communications

Jerrold Division
Hatboro, Pennsylvania (Headquarters)
Nogales, Mexico
Tucson, Arizona
Brussels, Belgium
Taipei, Taiwan

Jerrold Division/Canada
Toronto, Ontario, Canada

TACO Division
Sherburne, New York

Delhi Division
Delhi, Ontario, Canada

Sickles Business Section
El Paso, Texas (Headquarters)
Taipei, Taiwan

Data System

AmTote Division
Towson, Maryland

AmTote Systems Division
Hunt Valley, Maryland

Business Systems Division
Hunt Valley, Maryland

Government Systems Division
Hicksville, New York

Semiconductor Products

Microelectronics Division/U.S. & Far East
Hicksville, New York (Headquarters)
Chandler, Arizona
Kaohsiung, Taiwan

Microelectronics Division/Europe
Glenrothes, Scotland, U.K.

Discrete Semiconductor Division
Hicksville, New York (Headquarters)
Taipei, Taiwan

Optoelectronics Division
Palo Alto, California (Headquarters)
Kuala Lumpur, Malaysia

Transfer Agent(s):

Bankers Trust Company
2 Broadway
New York, New York 10004

Stock Exchange(s): New York, Boston, Midwest, Pacific, Phila-Balt-Wash. Detroit.

Ticker Symbol: GRL

Number of Employees:

1981	30,000	1978	24,200
1980	30,000	1977	24,800
1979	24,000		

Sales and Earnings

	Revenues (000's)	Net Income (000's)
1981	$ 825,074	$ 68,124
1980	718,104	51,130
1979	550,648	34,086
1978	502,848	24,316
1977	466,073	16,530

	No. of Com. Shares	Earn. per Share #
1981	9,688,728	$7.46
1980	8,658,665	5.90
1979	7,820,859	4.22
1978	7,549,760	3.03
1977	7,346,841	2.00

# Based on the weighted average number of common shares outstanding adjusted to reflect stock dividends.

Revenues By Line of Business
(000's)

	1981	1980
Broadband Comm.	$ 301,332	$ 193,149
Data Systems	134,634	150,077
Semiconductor Products	244,008	202,610
Component Products	145,100	172,268
Total	$ 825,074	$ 718,104

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$0.95	—	—
1980	0.75	—	—
1979	0.55	—	—
1978	0.30	2%	—
1977	—	2%	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1981	$410,269,495	$42.35
1980	283,252,346	32.71
1979	217,631,982	27.83
1978	184,728,809	24.47
1977	163,656,180	22.28

‡ After allowing for preferred stock at a liquidation preference value of $25 per share.

Income Account *

Year ended Feb. 28	1981	1980
Revenues	$825,073,873	$718,103,819
Cost of sales & services	637,536,775	556,999,507
Expenses	72,341,640	64,695,497
Interest income	(6,528,952)	(1,921,459)
Income bef. Taxes	$121,724,410	$ 98,330,274
Income taxes	53,600,000	47,200,000
Net Income	$ 68,124,410	$ 51,130,274

* Included in Coets and Expenses Depreciation and Amortization: $33,895,134 in 1981 and $32,364,073 in 1980.

Assets

As of Feb. 28	1981	1980
Cash & temp. invest.	$129,595,835	$ 38,932,974
Accts. receiv., net	142,636,572	120,371,418
* Inventories	130,891,580	133,237,241
Deferred inc. taxes	11,121,000	11,034,000
Prepaid expenses	7,048,208	6,165,969
Current Assets	$421,293,195	$309,741,602
Inestments, advances & receivables	1,690,204	8,020,391
# Fixed assets	205,862,085	178,751,520
Other assets	2,156,621	2,009,854
Intangibles	14,396,404	14,506,789
Total Assets	$645,398,509	$513,030,156

Liabilities

Accounts payable	$ 61,147,016	$ 59,265,372
Long-term debt, curr.	2,268,561	2,359,644
Accruals	63,312,112	57,888,822
Income taxes	25,319,987	27,319,423
Curr. Liabilities	$152,047,676	$146,833,261
Long-term debt	44,729,277	49,160,293
Deferred items	26,242,986	20,778,181
+ Preferred stock	12,109,075	13,006,075
+ + Common stock	9,688,728	8,658,665
Add. paid-in capital	170,832,763	98,013,585
Common stock purchases	(4,692,845)	—
Retained earnings	234,440,849	176,580,095
Total Liabilities & Shareholers' Equity	$645,398,509	$513,030,156

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value; $25 stated value.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	14.75	13.69
%Net Income to Revenues	8.26	7.12
%Net Income to Equity	16.13	17.26
Working Capital	$269,245,519	$162,908,341
Current Ratio	2.77	2.11
Shareholders' Equity	$422,378,570	$296,258,421

General Kinetics Incorporated

12300 Parklawn Drive
Rockville, Maryland 20852
(301) 881-2044

Officers: Robert P. Gutterman, chairman of the board; Louis R. Schap, president & chief exec. officer; Stanley J. Samowski, v.p.-finance & treasurer; Donald B. Keyser, v.p.; Ann K. Pugh, secretary.

Directors: Robert P. Gutterman, Robert C. Bartlett, David L. Cohn, Stanley J. Samowski, Louis R. Schap, Sven G. Stackig, Stephen P. Goldman, A. Hugh Wagner.

Areas of Work: Manufactures, sells and rents magnetic tape equipment; also manufactures electroic enclosures, sheet metal components, and food testing and processing systems.

Divisions:

GKI Tape Service & Equipment Division
1230 Parklawn Drive
Rockville, Maryland 20852
(301) 881-2044

Allo Metal Products Division
668 North Sheridan Street
Johnstown, Pennyslvania 15906
(814) 536-3585

110 Sunray Drive
Johmstown, Pennsylvania 15905
(814) 536-3585

Numerifab Division
11205 Satellite Boulevard
Orlando, Florida 32809

Subsidiaries:

Food Technology Corporation
12300 Parklawn Drive
Rockville, Maryland 20852
(301) 881-2044
Manufactures testing, quality-control and automated processing equipment for the food and related industries.

Transfer Agent(s):

Maryland National Bank
P.O. Box 987
225 North Calvert Street
Baltimore, Maryland 21202

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	99	1977	98
1979	80	1976	122
1978	75		

Plant Footage:

1980	100,000 sq. ft.	1977	72,300
1979	72,300	1976	72,300
1978	72,300		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 2,820,997	$ 68,550
1979	3,027,490	182,805
1978	2,740,609	257,492
1977	3,002,634	590,223
1976	2,703,659	100,111

	No. of Com. Shares	Earn. per Share ‡ #
1980	822,533	$0.08
1979	847,876	0.23
1978	803,777	0.34
1977	733,777	0.80
1976	733,777	0.14

‡ Including extraordinary gains of $17,800 ($0.02 per share) in 1978, $280,300 $0.38 per share) in 1977 and $39,718 ($0.06 per share) in 1976.

# Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,649,262	$2.01
1979	1,612,051	1.90
1978	1,444,616	1.80
1977	1,169,624	1.59
1976	579,401	0.79

Income Account *

Year ended May 31	1980	1979
Net sales	$ 2,820,997	$ 3,027,490
Cost of sales	2,019,721	2,073,690
Expenses	741,848	600,845
Interest expense	42,834	22,110
Other income	(65,747)	(22,644)
Income before taxes	$ 82,341	$ 353,489
Income taxes	13,791	170,684
Net Income	$ 68,550	$ 182,805

*Included in Costs and Expenses, Depreciation and Amortization: $88,529 in 1980 and $91,339 in 1979.

Assets

As of May 31	1980	1979
Cash	$ 343,588	$ 570,374
Accts. receiv., net	392,007	501,672
*Inventories	1,239,344	704,072
Prepaid expenses	8,381	13,394
Current Assets	$ 1,983,320	$ 1,789,512
# Fixed Assets	566,868	382,369
Deposits	2,373	2,701
Cash value of life ins.	38,584	34,354
Total Assets	$ 2,591,145	$ 2,208,936

General Kinetics Incorporated

Liabilities

Notes payable	$ 202,213	$ 44,555
Accts. payable	213,484	144,046
Accruals	115,385	98,787
Accrued payroll	46,418	44,333
Deposits on contracts	—	58,412
Accrued taxes	31,103	52,723
Curr. Liabilities	$ 608,603	$ 442,856
Notes payable	333,280	154,029
+ Common stock	222,561	222,561
Add. paid-in capital	1,181,992	1,181,992
Retained earnings	358,588	290,038
Treasury stock	(113,879)	(82,040)
Total Liabilities & Shareholders' Equity	$ 2,591,145	$ 2,208,936

*At lower of cost (FIFO) or market.
# Less accumulated depreciaton.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.92	11.68
%Net Income to Sales	2.43	6.04
%Net Income to Equity	4.16	11.34
Sales to Inventories	2.28	4.30
Working Capital	$ 1,374,717	$ 1,346,656
Current Ratio	3.26	4.04
Shareholders' Equity	$ 1,649,262	$ 1,612,051

General Microwave Corporation

155 Marine Street
Farmingdale, New York 11735
(516) 694-3600

Officers: Sherman A. Rinkel, president; Bernard Grand, v.p.-engineering; Leonard Trugman, v.p.-manufacturing; Samuel Hopfer, vice president-dir. of research & development; Moe Wind, v.p.-sales & asst. secretary; Emanuel B. Halper, secretary & asst. treasurer; Michael Stolzar, asst. secretary.

Directors: Frederick Zissu, chairman; Allan Bernstein, Emanuel B. Halper, Aaron Hantman, Samuel Hopfer, Sherman A. Rinkel, Moe Wind.

Areas of Work: Manufactures a variety of microwave devices including ultra-broadband radiation hazards monitors, PIN switch/attenuator/modulators, power meters, and digital voltmeters and data convertors.

Divisions:

Gralex Division
Farmingdale, New York
Engaged in the manufacture of a variety of electronic equipment including digital panel meters.

Microwave Division
Farmingdale, New York
Develops and manufactures PIN diode products, RF power measuring equipment, and radiation detectors.

Subsidiaries:

General Microwave Export Corporation (DISC)
155 Marine Street
Farmingdale, New York 11735
(516) 694-3600

Transfer Agent(s):

Continental Stock Transfer and Trust Company
19 Rector Street
New York, New York 10006

Stock Exchange(s): Over-the-Counter

Ticker Symbol: GMIC (NASDAQ)

Number of Employees:

1981	150	1978	135
1980	150	1977	135
1979	140		

Plant Footage:

1981	37,000 sq.ft.	1978	27,000
1980	37,000	1977	27,000
1979	27,000		

Sales and Earnings

	Net Sales	Net Income
1981	$ 7,552,908	$ 183,727
1980	5,790,283	225,198
1979	5,158,979	166,797
1978	4,548,397	283,525
1977	3,596,512	162,399

	No. of Com. Shares ‡	Earn. per Share ‡
1981	882,455	$0.21
1980	868,748	0.26
1979	871,820	0.19
1978	886,001	0.32
1977	902,929	0.18

‡ Based on average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$0.08	—	—
1980	0.08	—	—
1979	0.075	—	—
1978	0.065	—	—
1977	0.06	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 2,797,668	$3.18
1980	2,669,102	3.06
1979	2,508,026	2.89
1978	2,428,841	2.76
1977	2,234,600	2.50

Income Account *

Year ended Feb. 28	1981	1980
Net sales	$ 7,552,908	$ 5,790,283
Cost of sales	5,304,519	3,853,747
Expenses	1,845,718	1,559,019
Other Income	(32,992)	(31,658)
Interest Expense	143,936	70,521
Income before taxes	$ 291,727	$ 338,654
Income taxes	108,000	113,456
Net Income	$ 183,727	$ 225,198

* Included in Costs and Expenses, Depreciation and Amortization: $182,420, in 1981 and $148,595 in 1980.

Assets

As of Feb. 28	1981	1980
Cash	$ 62,253	$ 20,510
Marketable securities	4,870	4,286
Accts. receiv., net	1,579,005	1,243,246
* Inventories	2,264,889	2,305,557
Prepaid expenses	27,416	58,514
Current Assets	$ 3,938,433	$ 3,632,113
# Fixed assets	763,257	740,527
Other assets	83,475	81,194
Total Assets	$ 4,785,165	$ 4,453,834

Liabilities

Notes payable	$ 1,000,000	$ 600,000
Long-term debt, curr.	11,570	11,570
Accts. payable	460,308	595,047
Accruals	378,094	408,240
Income taxes	6,917	35,024
Dividend payable	35,180	34,734
Curr. Liabilities	$ 1,892,069	$ 1,684,615
Long-term debt	34,708	46,278
Deferred credits	60,720	53,839
+ Capital stock	9,665	9,590
Add. paid-in capital	735,772	720,947
Retained earnings	2,235,310	2,121,644
Treasury stock	(183,079)	(183,079)
Total Liabilities & Shareholders' Equity	$ 4,785,165	$ 4,453,834

* At cost (FIFO) or market, whichever is lower.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.86	5.85
%Net Income to Sales	2.43	3.89
%Net Income to Equity	6.57	8.44
Sales to Inventories	3.33	2.51
Working Capital	$ 2,046,364	$ 1,947,498
Current Ratio	2.08	2.16
Shareholders' Equity	$ 2,797,668	$ 2,669,102

General Motors Corporation

3044 West Grand Boulevard
Detroit, Michigan 48202
(313) 556-5000

General Motors Building
767 Fifth Avenue
New York, New York 10153
(212) 486-5000

Officers: Roger B. Smith, chairman of the board & chief executive officer; F. James McDonald, president & chief operating officer; Howard H. Kehrl, vice chairman; Reuben R. Jensen, F. Alan Smith, executive v.p.'s; vice presidents & group executives: Donald J. Atwood-Electrical Components Group, David C. Collier-Operating Staffs Group, Alexander A. Cunningham-Body & Assembly Group, Alex C. Mair-Technical Staffs Group, Donald H. McPherson-Car & Truck Group, Paul D. Pender-Mechanical Components Group, David S. Potter-Public Affairs Staffs Group, James F. Waters, Jr.-Overseas Group; vice presidents: Betsy Ancker-Johnson-Environmental Activities Staff, John F. Beck-North American Vehicles Overseas, Ferdinand P.J. Beickler-Managing Director, Vauxhall Motors Limited, Robert D. Burger-marketing staff, Martin J. Caserio-asst. to the pres., Charles S. Chapman-managing dir., General Motors-Holden's Limited, Paul F. Chenea-research laboratories, Patrick J. Coletta-general mgr.,GM Assembly Division, Robert J. Cook-gen. mgr., Oldsmobile Division, Robert W. Decker-quality & reliability, John R. Edman-financial staff, Stephen H. Fuller-personnel administration & development staff, Peter K. Hoglund-gen mgr., Electro-Motive Division, William E. Hoglund-gen. mgr., Pontiac Motor Division, Charles Katko-gen. mgr., Fisher Body Division, Edward C. Kennard-gen. mgr., Cadillac Motor Car Division, Robert D. Lund-gen. mgr., Chevrolet Motor Division, Robert F. Magill-Industry-Gov't Relations Staff, Thomas O. Mathues-mfg. staff, John P. McCormack-Joint Ventures and African Operations, John W. McNulty-public relations staff, John Quick-Special Overseas Projects & Studies, Lloyd E. Reuss-gen. mgr. Buick Motor Division, James R. Rinehart-pres. & gen. mgr., General Motors of Canada Limited, Irvin W. Rybicki-design staff, Joseph J. Sanchez-managing dir., General Motors do Brasil S.A., Harold L. Smith-gen. mgr., Detroit Diesel Allison Division, Otis M.Smith-general counsel, Robert C. Stempel, managing dir., Adam Opel AG, Robert B. Stone-materials management staff, Robert W. Truxell-general mgr., GMC Truck & Coach Division, James G. Vorhes-consumer relations & service staff, Alfred S. Warren, Jr.-industrial relations staff, Marina v.N. Whitman-chief economist, Frank J. Winchell-engineering staff; Robert T. O'Connell, treasurer; John F. Smith, Jr., comptroller; Carol M. Conklin, secretary.

Directors: Anne L. Armstrong, Catherine B. Cleary, John T. Connor, John D. deButts, James H. Evans, Walter A. Fallon, Charles T. Fisher, III, Marvin L. Goldberger, Robert S. Hatfield, Raymond H. Herzog, John J. Horan, Reuben R. Jensen, Howard H. Kehrl, F. James McDonald, W. Earle McLaughlin, Howard J. Morgens, Thomas A. Murphy, Ellmore C. Patterson, Edmund T. Pratt, Jr., F. Alan Smith, J. Stanford Smith, Roger B. Smith, Leon H. Sullivan, Charles H. Townes.

Areas of Work: Engaged primarily in the manufacture, assembly and distribution of motor driven products, most of which relate to transportation equipment, which are classified as automotive, nonautomotive and defense and space.

Electronic and Related Divisions:

Automotive Components Division
AC Spark Plug Division
Flint, Michigan
Spark plugs; oil filters; instrument panels; fuel pumps; fuel filters; air cleaners; emission control systems; cruise control systems.

Delco Electronics Division
Kokomo, Indiana

Auto radios, tape players; heater-air conditioning controls; military electronics; semiconductor devices; analog and digital systems; integrated circuits; inertial navigation and control systems and components.

Delco Moraine Division
Dayton, Ohio

Automotive brake systems; engine bearings; powered metal products; automatic transmission components.

Delco-Remy Division
Anderson, Indiana

Starting, generating and ignition systems switches; vacuum controls; batteries for passenger cars, trucks, buses, farm tractors and off-highway equipment.

Guide Division
Anderson, Indiana

Car, truck and tractor lamps; mirrors; finished die castings; molded plastic parts; lighting controls; stampings.

Harrison Radiator Division
Lockport, New York

Car and truck radiators, defrosters, heaters, thermostats and air-conditioners; heat exchangers.

Packard Electric Division
Warren, Ohio

Automotive, appliance, marine and farm equipment, wiring systems and components; fiber optics; magnet wire.

Rochester Products Division
Rochester, New York

Carburetors; steel tubing; cigarette lighters; locks; keys; emission control devices; diverter valves.

Diesel Equipment Division
Grand Rapids, Michigan

Fuel injectors; hydraulic and mechanical valve lifters; jet fuel nozzles; cold formed precision parts.

Delco Products Division
Dayton, Ohio

Shock absorbers; windshield wiper systems; energy-absorbing bumper devices; automotive electric motors and actuators; fan clutches; emission control devices; industrial and heremetic motors and generators.

Stock Transfer Offices:

770 Broadway
New York, New York 10003

3044 West Grand Boulevard
Detroit, Michigan 48202

21 King Street, E.
Toronto, Ontario, M5C 1B3 Canada

1350 Sherbrooke Sreet, W.
Montreal, Quebec, H3G 1J1 Canada

Stock Exchange(s): New York, Boston, Cincinnati, Midwest, Phila-Balt-Wash, Pacific, Montreal, Toronto

Ticker Symbol: GM

Number of Employees:

1980	746,000	1977	797,000
1979	853,000	1976	748,000
1978	839,000		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 57,728,500	$ (762,500)
1979	66,311,200	2,892,700
1978	63,221,100	3,508,000
1977	54,961,300	3,337,500
1976	47,181,000	2,902,800

	No. of Com. Shares	Earn. per Share ‡
1980	298,053,782	$ —
1979	292,472,499	$10.04
1978	288,069,840	12.24
1977	287,704,811	11.62
1976	287,674,147	10.08

(Loss)
‡ Based on average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
United States operations	$ 46,924,500	$ 55,014,800
Canadian operations	8,094,700	8,044,700
Overseas operations	12,111,100	12,394,400
Elimination of interarea sales	(9,401,800)	(9,142,700)
Automotive products	$ 53,173,000	$ 62,006,600
Nonautomotive prod.	4,555,500	4,304,600
Total	$ 57,728,500	$ 66,311,200

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.95	—	—
1979	5.30	—	—
1978	6.00	—	—
1977	6.80	—	—
1976	5.55	—	—

Common Stock Equity

	Total Equity ‡ (000's)	Equity Per Share
1980	$17,531,000	$58.81
1979	18,895,700	64.61
1978	17,286,300	60.01
1977	15,483,300	53.82
1976	14,101,600	49.02

‡ After allowing for preferred stock at stated value.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 57,728,500	$ 66,311,200
Cost of sales	52,099,800	55,848,700
Expenses	2,636,700	2,475,500
Depreciation & amortization	4,177,700	3,187,300
Prov. for incentive program	—	133,800
Other income	348,700	560,300
Other expense	(531,900)	(368,400)
Income (loss) before taxes	$ (1,368,900)	$ 4,857,800
Income taxes (credit)	(385,300)	2,183,400
Minority interest	221,100	218,300
Net Income (Loss)	$ (762,500)	$ 2,892,700

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 157,200	$ 247,100
Securities & deposits	3,558,000	2,739,300
Accts. & notes receiv. net	3,768,400	5,030,400
*Inventories	7,231,200	8,076,300
Prepaid expenses	706,500	463,400
Current Assets	$ 15,421,300	$ 16,556,500
Investments & other assets	4,047,100	3,828,200
Stock held for incentive	125,800	192,900
# Fixed assets	14,049,400	10,581,200
‡ Other assets	937,400	1057,000
Total Assets	$ 34,581,000	$ 32,215,800

Liabilities
(000's)

Accts., drafts and losses payable	$ 3,967,700	$ 3,381,300
Accruals	6,628,800	5,562,900
Income taxes	1,676,500	924,100
Curr. Liabilities	$ 12,273,000	$ 9,868,300
Long-term debt	1,886,000	880,000
Capitalized leases	172,300	150,800
Other liabilities	1,482,500	1,400,800
Deferred credits	952,600	736,600
+ Preferred stock	283,600	283,600
+ + Common stock	496,700	487,400
Add. paid-in capital	1,297,200	1,034,600
Retained earnings	15,737,100	17,373,700
Total Liabilities & Shareholders' Equity	$ 34,581,000	$ 32,215,800

*At lower of cost (domestic inventories at LIFO; foreign at FIFO) or market.
# Less accumulated depreciation.
‡ Less accumulated amortization.
+ No par value, $100 stated value.
+ + $1⅔ par value.

Statistical Summary

%Income bef. Taxes to Sales	—	7.33
%Net Income to Sales	—	4.36
%Net Income to Equity	—	15.08
Sales to Inventories	7.98	8.21
Working Capital	$3,148,300,000	$6,688,200,000
Current Ratio	1.26	1.68
Shareholders' Equity	$17,814,600,000	$19,179,300,000

General Signal Corporation

High Ridge Park
Stamford, Connecticut 06904
(203) 357-8800

Officers: Nathan R. Owen, chairman & chief executive officer; David T. Kimball, president & chief operating officer; Edward W. Franklin, senior vice president; Edward C. Prellwitz, vice president-finance; William J. Ball, vice president & group executive; Albert W. Buesking, vice president & controller; Paul Gibian, vice president & group executive; J. Robert Hipps, vice president & treasurer; Glen E. Ronk, vice president and group executive; John T. Rossello, vice president-human resources; Edgar J. Smith, Jr., vice president & general counsel; Richard H. Canale, secretary.

Directors: Nathan R. Owen*, F. Arnold Daum*, Edward W. Franklin*, Gardner D. Stout, John P. Horgan, Fred H. Gordon, Jr., Harold J. Hudson, Jr., Samuel A. Casey, David T. Kimball*, David J. Dunn.

*Member of the Executive Committee.

Energy Distribution and Control Group:

Designs, manufactures and sells a diversified range of equipment employed in the distribution, control and use of energy in electric form, as well as systems and controls for life safety and property protection.

Products include electronic instrumentation, recorders and controllers, digital computer directed and other process control systems; electric meter mountings and service entrance equipment, electrical insulating and protective materials; rigid coaxial cable, wave guides, antennas and dehydrators for high power broadcast stations, microwave links and radar installations; pole type and pad-mount distribution transformers, transformer repair service for power companies; temperature controllers and modular solid state communication control equipment; power and control transformers, and large power-supplies; electric heat-treating furnaces and ovens, vacuum and gas process equipment, metal melting equipment, laboratory furnaces and ovens, explosion-proof distribution and control equipment, switchgear, high-voltage motor starters and control centers, powerhouses, and marine electrical equipment; electrical fittings, wall plates, switches, receptacles, other wiring devices; constant voltage transformers, line voltage regulators, regulated electro-magnetic and electronic power supplies and electronic controls; continuous conveyor and diffusion furnaces; scribers, bonders, and other microelectronics production equipment; solid state float rectifiers, converters, inverters, ringing and tone generators for the telecommunications industry; fluorescent, incandescent and high intensity discharge lighting fixtures; systems and devices to monitor and detect such conditions as smoke, fire and unauthorized intrusion, as well as hospital communications systems, automatic personnel time recording and parking lot control systems.

Environmental and Fluid Process Controls Group:

Sells controls, systems and other specialized equipment primarily to water and wastewater treatment and industrial process markets. Products include instrumentation and controls; telemetering and supervisory control systems; primary flow elements; chemical feeders and weighers; metering pumps; valves and actuators; sludge treatment systems; wet waste disintegrators; effluent samplers; diatomite filters; mechanical mixers, aerators, flocculators; biological waste reatment systems; centrifugal, wastewater, regenerative turbine, vertical turbine and high-vacuum pumps and pump systems; specialty air pollution control equipment; consistency transmitters and mass rate meters; pressure and vacuum gauges, thermometers and needle valves; chemical additives; and corrosion control materials.

Transportation Controls Group:

Specializes in controls and equipment for rail mass transit systems and mainline railroads, airports and air raffic systems, ships, and off-the-road mobile equipment as well as cold-forged components for automobiles and trucks. Products of the transportation controls group include cab, wayside and centralized traffic control components and systems, pushbutton interlocking controls, operating display subsystems, signaling and protective appliances, radio remote controls; pneumatic, electro-pneumatic and electro-pneumatic/hydraulic braking systems and components, propulsion/braking controls systems, transit car couplers, railway car undercarriages; radar navigation, detection and identification subsystems, aircraft navigation aids, ground weather monitoring systems and microwave telephone repeater stations; interior shipboard communication-systems and propulsion controls. The group also produces high pressure devices which are used to transfer and control energy by hydraulic means including hydrostatic transmissions, steering, load sensing and other hydraulic systems, high pressure hydraulic gear pumps and motors, piston pumps, and motors, directional control valves and servo controls, and cold-forged steel steering, suspension and other vehicle components.

Consumer Products Group:

Manufactures and markets a variety of electric motor-driven household appliances, primarily for floor care, as well as small electric motors for small appliances and for the power tool, marine, automotive and garden equipment markets.

Divisions and Subsidiaries:

(Operating Units)

Axel Electronics
Jamaica, New York

Cardion Electronics
Woodbury, New York

Cincinnati Time Recorder
Cincinnati, Ohio

General Railway Signal
Rochester, New York

Henschel
Amesbury, Massachusetts

Edwards
Farmington, Connecticut
Owen Sound, Ontario, Canada

Ceilcote Company
Berea, Ohio
O— Z/Gedney
Terryville, Connecticut

Regina
Rahway, New Jersey

Kinney Vacuum
Canton, Massachusetts

DeZurik
Sartell, Minnesota

Marsh Instrument
Skokie, Illinois

Mixing Equipment
Rochester, New York

Metal Forge
Columbus, Ohio

GS Electric
Carlisle, Pennsylvania

Peerolin
Wilton, Connecticut

New York Air Brake, Stratopower
Watertown, New York

Kayex
Rochester, New York

Stock Equipment
Cleveland, Ohio

Telecommunications Technology
Sunnyvale, California

Aurora Pump
North Aurora, Illinois

BIF
West Warwick, Rhode Island

Hydreco
Kalamazoo, Michigan

Dynapower
Watertown, New York

General Signal Appliances
Welland, Ontario, Canada

Anchor/Guth
Manchester, New Hampshire

Bishop Electric
Cedar Grove, New Jersey

Dowzer Electric
Mt. Vernon, Illinois

Hevi-Duty Electric
Goldsboro, North Carolina

Lindberg
Chicago, Illinois

Nelson Electric
Tulsa, Oklahoma

Sola Canada
Toronto, Ontario, Canada

Industrias Sola Basic
Mexico City, Mexico

Sola Electric
Elk Grove Village, Illinois

Tempress
Los Gatos, California

Leeds & Northrup
North Wales, Pennsylvania
Warren/Dielectric Communications
Livingston, New Jersey

Voorlas Manufacturing
Racine, Wisconsin

Xynetics
Santa Clara, California

Transfer Agent(s):
Marine Midland Bank-New York
New York, New York

Stock Exchange(s): New York, Pacific

Ticker Symbol: GSX

Number of Employees:

1980	26,016	1977	20,048
1979	26,738	1976	19,556
1978	25,062		

Plant Footage:

1980	11,582,061 sq.ft.	1977	9,320,000
1979	11,582,061	1976	8,659,000
1978	11,391,000		

Sales and Earnings ‡

	Net Sales (000's)	Net Income (000's)
1980	$ 1,521,744	$ 104,214
1979	1,383,073	87,801
1978	1,053,729	61,890
1977	892,222	49,013
1976	813,073	40,847

	No. of Com. Shares #	Earn. per Share #
1980	26,009,000	$4.01
1979	24,937,000	3.52
1978	21,936,000	2.82
1977	20,850,000	2.35
1976	20,725,000	1.97

‡ Restated to include operations of companies acquired on a pooling of interests basis.
# Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Revenues By Line of Business
(000's)

	1980	1979
Environmental & industrial process controls	$ 429,100	$ 379,800
Transportation controls	307,000	306,700
Energy distribution & control	718,200	618,800
Home appliances	67,400	77,800
Total	$ 1,521,700	$ 1,383,100

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$1.28	—	—
1979	1.00	—	—
1978	0.85	—	—
1977	0.60	100%	—
1976	0.42	—	—

‡ Adjusted to reflect stock dividend.

Common Stock Equity ‡

	Total Equity	Equity Per share †
1980	$ 661,731,000	$24.78
1979	576,021,000	22.94
1978	507,012,000	20.54
1977	355,677,000	17.05
1976	321,536,000	15.45

‡ Restated to include operations of companies acquired on a pooling of interest basis.
† Adjusted to reflect stock dividend.

Income Account *
(000's)

Year ended Dec. 31	1980	1979 ‡
Net sales	$ 1,521,744	$ 1,383,073
Cost of sales & expenses	1,042,003	949,107
Expenses	271,870	255,130
Interest expense	14,697	12,414
Income before taxes	$ 193,174	$ 166,422
Income taxes	88,960	78,621
Net Income	$ 104,214	$ 87,801

* Included in Costs and Expenses, Depreciation and Amortization: $30,558,000 in 1980 and $26,639,000 in 1979.
‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets
(000's)

As of Dec. 31	1980	1979 ‡
Cash & cert. of deposit	$ 35,996	$ 31,753
Short-term invest.	49,200	45,260
Accts. receiv., net	290,086	254,004
Contracts in progress	33,556	24,102
*Inventories	367,358	331,209
Prepaid expenses	5,052	6,865
Current Assets	$ 781,248	$ 693,193
#Fixed assets	249,985	213,622
Intangibles	84,758	69,730
Other assets	20,286	21,579
Total Assets	$ 1,136,277	$ 998,124

Liabilities
(000's)

Short-term borrowing	$ 42,972	$ 41,043
Note payable	32,905	—
Accts. payable	106,380	102,767
Accruals	106,528	110,076
Income taxes	64,899	55,154
Curr. Liabilities	$ 353,684	$ 309,040
Long-term debt	79,367	81,102
Other liabilities	32,083	24,889
Deferred income taxes	9,412	7,072
+Common stock	37,856	36,266
Add. paid-in capital	184,331	175,859
Retained earnings	439,800	364,147
Treasury stock	(256)	(251)
Total Liabilities & Shareholders' Equity	$ 1,136,277	$ 998,124

‡ Restated to include operations of companies acquired on a pooling of interests basis.
* At lower of cost (LIFO or standard costs that approximate average) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.69	12.03
%Net Income to Sales	6.85	6.35
%Net Income to Equity	15.75	15.24
Sales to Inventories	4.14	4.18
Working Capital	$ 427,564,000	$ 384,153,000
Current Ratio	2.21	2.24
Shareholders' Equity	$ 661,731,000	$ 576,021,000

General Telephone & Electronics Corporation

One Stamford Forum
Stamford, Connecticut 06904
(203) 357-2000

Officers: Theodore F. Brophy, chairman & chief executive officer; Thomas A. Vanderslice, president & chief operating officer; William H. Harrison, exec. v.p.-finance; William C. Rowland, exec. v.p.-Telephone Operating Group; Donald O. Kiser, sr. v.p.-human resources; Robert I. Bruder, sr. v.p.-planning and development; William F. Rueger, v.p.-corporate development; Alfred C. Viebranz, sr. v.p.-corp. communications; George E. Shertzer, sr. v.p. & general counsel; Claude A. Burleson, v.p.-taxes; Douglas W. Smith, v.p.-data processing; John A. Whittaker, v.p.-gov't affairs; James M. Dunn, Jr., v.p. & treasurer; Timothy P. Murphy, v.p. & controller; Joel P. Mellis, corp. secretary; C. Russell Campbell, Jr., asst. v.p.-legislative affairs; James Murphy, asst. v.p.-treasury; Paul Kavicky, asst. v.p.-financial services; Lyle E. Orstad, asst. v.p.-financial planning; Paul W. Schlake, asst. controller-auditing; Edward A. Fanelli, asst. secretary; Joseph J. Vasicek, asst. treasurer; Thomas J. Devine, asst. controller-accounting.

Directors: James R. Barker, Howard W. Blauvelt, Theodore F. Brophy, Nelson J. Darling, Jr., James W. Button, John T. Dunlop, Maurice F. Granville, Sandra O. Moose, Gordon T. Wallis, Theodore S. Gary, Richard W. Jones, John H. Page, William C. Rowland, Thomas A. Vanderslice, James W. Walter.

Areas of Work: The Corporation's domestic telephone subsidiaries comprise the largest independent (non-Bell) telephone system in the United States. The international subsidiaries provide telephone service primarily in the provinces of Quebec and British Columbia, Canada and in the Dominican Republic. GTE Directories Corpoation sells Yellow Pages advertising and publishes more than 900 telephone directories for GTE companies. In addition to the telephone services the company manufactures highly complex voice and data communications services for industry and defense, such as electronic mail, secure communication systems, and credit-authorization terminals. The company's electrical products include photo-flash lamps, incandescent, fluorescent, sodium, halogen and halide lamps under the Sylvania name. Other products include metallurgical products, and fiber optics.

Divisions and Subsidiaries:

GTE Telephone Operations

General Telephone Company of California
Santa Monica, California

Hawaiian Telephone Company
Honolulu, Hawaii

General Telephone Company of Illinois
Bloomington, Illinois

General Telephone Company of Indiana, Inc.
Fort Wayne, Indiana

General Telephone Company of Michigan
Muskegon, Michigan

General Telephone Company of the Midwest
Grinnell, Iowa

General Telephone Company of the Northwest, Inc.
Everett, Washington

General Telephone Company of Ohio
Marion, Ohio

General Telephone Company of Pennsylvania
Erie, Pennsylvania

General Telephone Company of Wisconsin
Sun Prairie, Wisconsin

General Telephone Company of Florida
Tampa, Florida

General Telephone Company of Kentucky
Lexington, Kentucky

General Telephone Company of the Southeast
Durham, North Carolina

General Telephone Company of the Southwest
San Angelo, Texas

British Columbia Telephone Company
Vancouver, British Columbia, Canada

Quebec-Telephone
Rimouski, Quebec, Canada

Compania Dominicana de Telefonos, C. por A.
Santo Domingo, Dominican Republic

GTE Directories Corporation
Des Plaines, Illinois

GTE Satellite Corporation
Stamford, Connecticut

GTE Communications Network Systems

GTE Information Systems
Mt. Laurel, New Jersey

GTE Telecommunications Systems
Stamford, Connecticut

GTE Telenet
Vienna, Virginia

GTE Communications Products

GTE Automatic Electric Incorporated
Stamford, Connecticut

GTE Lenkurt Incorporated
Stamford, Connecticut

GTE Subscriber Network Products
Stamford, Connecticut

GTE Microcircuits
Phoenix, Arizona

GTE Electrical Products

GTE Lighting Products
Danvers, Massachusetts

GTE Electrical Equipment
Stamford, Connecticut

GTE Precison Materials
Danvers, Massachusetts

GTE Laboratories

Acquisition(s):

Claude S.A.
French-based manufacturer of incandescent, fluorescent and high intensity lamps.

Transfer Agent(s):

GTE Shareholders Services Incorporated
(common & preferred)
P.O. Box 37
North Quincy, Massachusetts 02171

Harris Trust and Savings Bank
111 West Monroe Street
Chicago, Illinois 60690

Bank of America National Trust and Savings Association
P.O. Box 37000
San Francisco, California 94137

State Street Bank and Trust Company
P.O. Box 5003
Boston, Massachusetts 02107

Stock Exchange(s): New York, Midwest, Pacific, London, Amsterdam, Basel, Geneva, Lausanne, Zurich.

Ticker Symbol: GTE

Number of Employees:

1980	201,000	1977	203,000
1979	227,000	1976	194,000
1978	214,000		

Sales and Earnings

	Revenues & Sales ‡ (000's)	Net Income (000's)
1980	$ 9,979,000	$ 477,876
1979	8,898,000	645,000
1978	7,736,000	622,187
1977	6,832,000	539,000
1976	6,058,000	436,000

	No. of Com. Shares #	Earn. per Share #
1980	151,805,000	$2.94
1979	146,000,000	4.20
1978	141,000,000	4.17
1977	136,000,000	3.73
1976	129,000,000	3.13

‡ Of continuing operations only.
# Based on the average number of shares outstanding.

General Telephone and Electronics Corporation

Revenues By Line of Business
(000's)

	1980	1979
Telephone operations	$ 5,928,000	$ 5,220,000
Products group oper.:		
Communications prods.	2,083,000	2,014,000
Lighting & electrical equip.	1,905,000	1,632,000
Communications Network system	116,000	91,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.72	—	—
1979	2.60	—	—
1978	2.36	—	—
1977	2.12	—	—
1976	1.90	—	—

Common Stock Equity

	Total Equity + (000's)	Equity Per Share
1980	$ 4,484,000	$28.95
1979	4,264,000	28.89
1978	3,927,000	27.25
1977	3,521,000	25.49
1976	3,098,000	23.84

+ After alowing for no par preferred stock at $25 per share and $50 par value preferred stock at par.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Revenues and Sales:		
Telephone oper.	$ 5,927,958	$ 5,219,764
Other oper.	4,050,917	3,678,721
Total income	$ 9,978,875	$ 8,898,485
Costs & expenses:		
Telephone oper.	4,247,414	3,719,894
Other oper.	3,784,990	3,346,401
Interest expense	870,429	658,980
Interest income	(60,596)	(40,873)
Minority inerests	21,035	17,949
preferred dividends of subsid.	59,266	51,314
Other income	(80,947)	(49,791)
Income before taxes	$ 1,137,284	$ 1,194,611
Income taxes	518,004	538,001
Income from cont. oper.	$ 619,280	$ 656,610
Loss from discont. oper.	(141,404)	(11,540)
Net Income	$ 477,876	$ 645,070

* Included in Costs and Expenses, Depreciation: $1,158,252,000 in 1980 and $1,022,278,000 in in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash & temp. invest.	$ 123,053	$ 155,777
Receiv., net	1,704,898	1,568,645
* Inventories	1,544,015	1,427,240
Other assets	179,958	134,566
Current Assets	$ 3,551,924	$ 3,286,228
# Fixed assets	15,495,638	13,999,663
Investments & other assets	672,895	748,187
Total Assets	$ 19,720,457	$ 18,034,078

Liabilities
(000's)

Construction loans	$ 871,382	$ 1,179,962
Short-term oblig.	471,539	453,565
Accts. payable	820,863	827,070
Accrued taxes	258,678	243,282
Advance billings	213,926	200,238
Liab. for loss of tax benefits	386,752	364,196
Other curr. liab.	984,189	796,805
Curr. Liabilties	$ 4,007,329	$ 4,065,118
Long-term debt	7,468,201	6,346,476
Reserves & deferred credits	2,285,871	1,903,068
+ Mand. redempt. pref. stock	727,407	721,752
No par preferred stock	100,000	100,000
+ Preferred stock	39,601	41,827
+ + Common stock	516,280	491,961
Add. paid-in capital	1,571,029	1,407,484
Retained earnings	2,397,043	2,364,246
Minority interest in eq. of subsid.	607,696	592,146
Total Liabilities & Shareholders' Equity	$ 19,720,457	$ 18,034,078

* At lower of cost (FIFO or average) or market.
# Less accumulated depreciation.
+ $50 par value.
+ + $3.33⅓ par value.

The General Tire & Rubber Company

One General Street
Akron, Ohio 44329
(216) 798-3000

Officers: M.G. O'Neil, president & chief executive officer; John O'Neil, chairman of finance committee; vice presidents: J.H. Miller, tires; A.E. Lange-controller; T.E. Pittenger-legal, Sam Salem-chemical and plastics; K.E. Johnson, treasurer; J.J. Dalton, secretary & general counsel; J.A. Bonsky, F.C. Rote, asst. secretaries; R.W. Morris, asst. treasurer.

Directors: M.G. O'Neil*, chairman; John O'Neil, T.E. Pittenger, L.D. Henry, David S. Henkel, R.B. Tullis*, James T. Morley, D. Bruce Mansfield*, William B. Walsh.

*Member of Executive Committee.

Divisions:

World Tire Division
One General Street
Akron, Ohio 44329
(216) 798-3000

Bias-type, bias-belted, and radial passenger and truck tires, off-the-road and farm tires. Retread rubber and recapping accessories. Tubes. Tire-repair materials. Curing accessories. Special products.

Chemical/Plastics Division
One General Street
Akron, Ohio 44329
(216) 798-3000

Vinyl-coated fabric materials; plastic films and sheeting; sponge rubber and urethane foam carpet underlay; rigid and flexible plastics; urethane foam (Polyfoam); tennis and racquet balls and accessories; adhesives and coatings for carpet, paper and rubber industries; synthetic rubber; polyvinyl chloride resins, engineered rubber and plastics parts. Extruded sponge seals. Belt-Strip seals. Vinyl seals. Gen-Line industries hose. Flocked window channels. Sight and Stone shields. Motor mounts. Rubber-and metal vibration dampers. Wiper blades. Brake system parts— wheel and master cylinder cups, distribution valves, vacuum assist diaphragms. Painted facia body parts. Extruded and molded rubber and plastic parts. Dock fenders. Missile parts. Bridge bearing pads. Railway crossing units.

Subsidiaries:

Aerojet-General Corporation
10300 North Torey Pines Road
La Jolla, California 92037
(714) 455-8500

Aerospace and defense products:
Revenues are principally from sales of solid and liquid propellant rocket engines, waterjet propulsion systems, nuclear reactor components, aerospace tankage,ordinance items, electronic sensor systems and related defense items.

Engineering, fabrication and construction:
Revenues are principally from services in the engineering and construction industry, and sales of fabricated tankage and containers for chemicals, environmental, oil and related uses.

Industrial equipment and other products and services:
Revenues are principally from sales of vertical pumps (serving the oil, petrochemical, agricultural, steel, auto and utility companies), valves for oil company usage, scales and electronic weighing systems for various applications, specialty chemicals for pharmaceuticals, pesticides and coatings, and real estate management services.

Aerospace and Defense Products:

Aerojet ElectroSystems Company
P.O. Box 296
1100 W. Hollyvale Street
Azusa, California 91702
(213) 334-6211

Aerojet Liquid Rocket Company
P.O. Box 13222
Highway 50 and Aerojet Road
Sacramento, California 95813
(916) 355-1000

Aerojet Solid Propulsion Company
P.O. Box 13400
Highway 50 and Hazel Avenue
Sacramento, California 95813
(916) 355-4000

Aerojet Tactical Systems Company
P.O. Box 15699C
Highway 50 and Hazel Avenue
Sacramento, California 95813
(916) 355-5500

Aerojet Manufacturing Company
601 South Placentia Avenue
Fullerton, California 92631
(714) 871-5680

Aerojet Ordnance Company
9236 East Hall Road
Downey, California 90241
(213) 923-7511

Aerojet Services Company
P.O. Box 15046C
Sacramento, California 95813
(916) 355-2345

Engineering, Fabrication and Construction:

Barnard and Burk, Inc.
150 So. Los Robles Avenue
Suite 860
Pasadena, California 91101
(213) 449-4922

CESSCO
8660 Sixty-one Avenue
Box 2423
Edmonton, Alberta, Canada T5J 2V8
(403) 465-6121

Chemical Construction Corporation
One Penn Plaza
New York, New York 10001
(212) 239-5100

Graver Energy Systems, Inc.
4809 Tod Avenue
East Chicago, Indiana 46312
(219) 392-9300

Graver Tank & Manufacturing Company, Inc.
(Southwest Region)
P.O. Box 1764
10101 Bay Area Blvd.
Houston, Texas 77001
(713) 474-5121

Industrial Equipment and Other Products and Services:

Johnston Pump Company
1775 East Allen Avenue
Glendora, California 91740
(213) 625-2415

General Valve Company
P.O. Box 4210
Fullerton, California 92634
(714) 879-3222

Howe Richardson Scale Company
680 Van Houten Avenue
Clifton, New Jersey 07015
(201) 471-3400

Cordova Chemical Company
P.O. Box 13400
Highway 50 and Hazel Avenue
Sacramento, California 95813
(916) 355-5000

Aerojet Investments, Ltd.
10300 North Torey Pines Road
La Jolla, California 92037
(714) 455-8500

Cordova Chemical Company
P.O. Box 5150
North Muskegon, Michigan 49445
(616) 766-3011

RKO General Operations:

RKO General, Inc.
1440 Broadway
New York, New York 10018
(212) 764-7000

RKO industry segments: "Broadcasting" operations consist primarily of 12 radiostations and 4 TV stations in major domestic markets and national sales representative organizations for radio and TV serving RKO and other stations. "Soft drink bottling" operations consist of the production, bottling and sale of soft drink products (primarily Pepsi Cola) from 8 midwestern plants. "Cable television and theater" operations, Cablecom-General, Inc., consists primarily of cable TV systems and a circuit of indoor and outdoor movie theaters. "Other industries" consist principally of audio tape duplicating services and the leasing of TV receivers.

Broadcasting:

Television Stations: WOR-TV, New York; KHJ-TV, Los Angeles; WNAC-TV, Boston; WHBQ-TV, Memphis.

Radio Stations: WOR-AM, WXLO-FM, New York; KHJ-AM, KRTH-FM, Los Angeles; WRKO-AM, WROR-FM, Boston; WHBQ-AM, Memphis; KRFC-AM, San Francisco; WGMS-AM-FM, Washington, D.C.; WAXY-FM, Fort Lauderdale; WFYR-FM, Chicago.

RKO Television Representatives, Inc.
New York, New York

RKO Radio Network, Inc.
New York, New York

Soft drink bottling:

Soft Drink Bottling Companies:
Bryan, O.; Muncie, Ind.; Toledo, O.; Lima, O.; South Bend, Brookville and Fort Wayne, Ind.

Cable TV and theater:

Cablecom-General, Inc.
Englewood, Colorado

Video Independent Theatres, Inc.
Oklahoma City, Oklahoma

Other industries:

RKO National Tape Service, Inc.
West Caldwell, New Jersey

Electronics Leasing Corp.
New York, New York

Frontier Airlines, Inc. (60% owned)
Denver, Colorado

General Tire International Company
One General Street
Akron, Ohio 44329
(216) 798-3000

International Affiliates' Headquarters:

The General Tire & Rubber Company of Canada, Ltd.
Barrie, Ontario, Canada

Welland, Ontario, Canada

Compania Ecuatoriana del Caucho S.A.
Quito, Ecuador

General Popo, S.A.
Mexico City, Mexico

The General Tire & Rubber Company of Morocco
Casablanca, Morocco

The General Tire Company (Ireland) Ltd.
Mullingar County, Westmeath, Ireland

General Tyre East Africa, Ltd.
Arusha, Tanzania

Cauchos General C.A.
Caracas, Venezuela

Transfer Agent(s):

Chemical Bank (Preference Stock)
New York, New York

The General Tire & Rubber Company
(Common and Preference Stock)
Akron, Ohio

Morgan Guaranty Trust Company of New York
(Common Stock)
New York, New York

Stock Exchange(s): New York, Midwest

Ticker Symbol: GY

Number of Employees:

1980	39,000	1977	40,000
1979	42,000	1976	40,000
1978	42,000		

Sales and Earnings †

	Net Sales (000's)	Net Income (000's)
1980	$ 2,215,206	$ 40,761
1979	2,294,853	80,156
1978	2,199,220	113,849
1977	2,110,051	115,163
1976	2,022,545	103,610

	No. of Com. Shares ‡	Earn. per Share ‡
1980	24,108,757	$1.68
1979	24,101,291	3.31
1978	24,076,436	4.71
1977	24,044,643	4.77
1976	24,057,188	4.29

† Restated to reflect change in accounting method to comply with FASB Statement No. 43 concerning compensated absences.

‡ Based on the average number of shares outstanding adjusted to reflect stock dividends.

Revenues By Line of Business
(000's)

	1980	1979
Tires & related products	$ 981,265	$ 1,061,846
Plastics & similar products	421,212	482,399
Industrial products	113,789	161,463
Aerojet-General Corporation	698,940	589,145
Total	$ 2,215,206	$ 2,294,853

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.50	2%	—
1979	1.50	2%	—
1978	1.35	2%	—
1977	1.225	2%	—
1976	1.10	2%	—

Common Stock Equity †

	Total Equity	Equity Per Share ‡
1980	$ 985,499,000	$40.88
1979	980,783,000	40.69
1978	935,909,000	38.87
1977	852,447,000	35.45

† Restated to reflect change in accounting method.

‡ Based on the average number of shares outstanding adjusted to reflect stock dividends.

Income Account
(000's)

Year ended Nov. 30	1980	1979 ‡
Net sales	$ 2,215,206	$ 2,294,853
Other income	28,512	26,294
Total income	$ 2,243,718	$ 2,321,147
Cost of sales	1,835,686	1,864,180
Expenses	299,322	280,059
Depreciation	71,793	66,587
Interest expense	29,746	28,731
Inc. bef. taxes & Inc. of RKO General Inc.	$ 7,171	$ 81,590
Income tax credit	(3,423)	36,585
Inc. of RKO General	(30,167)	(35,151)
Net Income	$ 40,761	$ 80,156

‡ Restated to reflect change in accounting method.

The General Tire & Rubber Company

Assets
(000's)

As of Nov. 30	1980	1979 ‡
Cash & short-term securities	$ 118,282	$ 56,823
Accts. & notes receiv., net	324,342	394,840
*Inventories	332,557	350,030
Prepaid expenses	17,601	10,237
Current Assets	$ 792,782	$ 811,930
Invest. in RKO Gen.	234,540	210,528
Investments & advances	137,049	130,668
# Fixed assets	641,746	618,611
Total Assets	$ 1,806,117	$ 1,771,737

Liabilities
(000's)

	1980	1979
Notes payable	$ 35,566	$ 49,569
Long-term debt, curr.	35,472	32,172
Accts. payable & accruals	326,715	264,774
Income taxes	15,146	36,628
Curr. Liabilities	$ 412,899	$ 383,143
Long-term debt	238,512	268,971
Deferred income	15,902	15,386
Deferred inc. taxes	146,873	115,789
+ Redeem. pref. stock	6,432	7,665
+ + Common stock	7,233	7,096
Add. paid-in capital	228,904	219,795
Retained earnings	749,362	753,892
Total Liabilities & Shareholders' Equity	$ 1,806,117	$ 1,771,737

‡ Restated to reflect change in accounting method.
* At lower of cost (LIFO for parent company, FIFO or average cost for subsidiaries) or market.
# Less accumulated depreciation.
+ $100 par value; cumulative.
+ + $0.30 par value.

Statistical Summary

	1980	1979
% Net Income to Sales	1.84	3.49
% Net Income to Equity	4.14	8.17
Sales to Inventories	6.66	6.56
Working Capital	$ 379,883,000	$ 428,787,000
Current Ratio	1.92	2.12
Shareholders' Equity	$ 985,499,000	$ 980,783,000

Genisco Technology Corporation

18435 Susana Road
Rancho Dominguez, California 90021
(213) 537-4750

Officers: Robert B. Phinizy, president & chief executive officer; William R. Esser, v.p.-Components Division; Robert N. Haro, v.p.-Systems Division; John A. Calfas, secretary; Gary Nehus, controller; David A. Phipps, asst. secretary.

Directors: Richard S. Farr, Martin S. Locke, Robert B. Phinizy, Alan J. Brown, Donn L. Williams, Walter E. Lotz, Jr.

Divisions:

Systems Division
Components Division
18435 Susana Road
Rancho Dominguez, California 90021
(213) 537-4750
Manufactures Eldema indicator lites and Genistron filter products, high environment magnetic tape recorders, transducers, and rotational test equipment.

Computers Division
3545 Cadillac Avenue
Costa Mesa, California 92626
(714) 556-4916
Graphic communications, terminals, and display systems.

Transfer Agent(s):
Security Pacific National Bank
561 South Spring Street
Los Angeles, California 90054

Stock Exchange(s): American, Pacific

Ticker Symbol: GES

Number of Employees:

1980	425	1977	287
1979	400	1976	329
1978	309		

Plant Footage:

1980	175,000 sq. ft.	1977	138,000
1979	160,000	1976	141,000
1978	122,000		

Sales and Earnings

	Net Sales†	Net Income#
1980	$ 17,516,283	$ 1,203,341
1979	15,204,962	1,322,408
1978	12,276,263	434,941
1977	10,661,364	(1,695,334)
1976	9,855,867	305,249

	No. of Com. Shares	Earn. per Share#
1980	1,239,378	$0.94
1979	1,197,243	1.11
1978	1,194,598	0.36
1977	1,194,598	—
1976	1,194,598	0.22

(Loss)
† Of continuing operations only.
# Including extraordinary gains of $185,000 ($0.14 per share) in 1980, $405,000 ($0.34 per share) in 1979 and $195,000 ($0.16 per share) in 1978.

Revenues By Line of Business
(000's)

	1980	1979
Components	$ 4,549	$ 4,474
Computer peripherals	10,381	8,598
Other	2,586	2,133
Total	$ 17,516	$ 15,205

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 4,163,509	$3.36
1979	2,799,906	2.34
1978	1,283,588	1.07
1977	848,647	0.71
1976	2,543,981	2.13

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 17,516,283	$ 15,204,962
Cost of sales	11,169,613	10,038,072
Expenses	4,208,275	3,246,192
Interest expense	244,299	193,290
Income before taxes	$ 1,894,096	$ 1,727,408
Income taxes	875,755	810,000
Net Income	$ 1,018,341	$ 917,408
Extraordinary gain	185,000	405,000
Net Income & extraord. gain	$ 1,203,341	$ 1,322,408

* Included in Costs and Expenses, Depreciation and Amortization: $400,900 in 1980 and $302,481 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 163,274	$ 1,280,369
Accts. receiv., net	4,077,585	2,802,646
*Inventories	2,920,583	1,691,793
Prepaid expenses	224,096	69,340
Current Assets	$ 7,385,538	$ 5,844,148
#Fixed assets	2,198,165	1,808,422
Other assets	161,069	5,002
Total Assets	$ 9,744,772	$ 7,657,572

Liabilities

	1980	1979
Long-term debt, curr.	$ 505,818	$ 331,955
Accts. payable	1,417,729	844,344
Accruals	271,702	285,610
Accrued payroll	1,400,011	1,326,602
Income taxes	399,437	340,302
Curr. Liabilities	$ 3,994,697	$ 3,128,813
Long-term debt	1,586,566	1,728,853
+Common stock	790,312	769,245
Add. paid-in capital	1,956,145	1,816,950
Retained earnings	1,417,052	213,711
Total Liabilities & Shareholders' Equity	$ 9,744,772	$ 7,657,572

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	10.81	11.36
%Net Income to Sales	5.81	6.03
%Net Income to Equity	24.46	32.77
Sales to Inventories	6.00	8.99
Working Capital	$ 3,390,841	$ 2,715,335
Current Ratio	1.85	1.87
Shareholders' Equity	$ 4,163,509	$ 2,799,906

GenRad, Inc.

300 Baker Avenue
Concord, Massachusetts 01742
(617) 369-4400

Officers: William R. Thurston, president & chief executive officer; Steven J. Stadler, chief financial officer, sr. v.p. & treasurer; Richard A. Cambria, v.p.-personnel development; Walter C. Hinds, Jr., sr. v.p.; Constantine J. Lahanas, v.p.-corp. development; Harold T. McAleer, sr. v.p.; Howard O. Painter,Jr., v.p. & gen. mgr., Service Products Div.; Richard G. Rogers, sr. v.p., gen. mgr., Board Test Division; Robert G. Fulks, v.p. & gen. mgr., Advanced Technology; John R. Held, v.p. & gen. mgr., Sales & Services; Earl D.Jacobs, v.p. & gen. mgr., Development Systems Division; Thomas E. MacKenzie, v.p. & gen. mgr., Component Test Division; Eric L. Mudama, v.p. & gen. mgr., Vibration Analysis Division; Richard M. Millen, controller; John L. Steele, Jr., secretary & general counsel; Gene A. Parnell, asst. treasurer.

Directors: Wilbur B. Davenport, Jr., W. Hardie Shepard, Steven J. Stadler, William R. Thurston, James H. Wright, Earle W. Pitt, Wilson Wilde.

Areas of Work: Manufactures test equipment for the electronic equipment and mechnical equipment industries. The company's computer-based test systems, used by electronics manufacturers, to test printed circuit boards and isolate faults down to the individual component level. Electronic compont test instruments indicate whether capacitors, resistors, inductors, or integrated circuits are functioning properly. Digital signal processors analyze structures and machinery. Acoustic instrumentation products analyze and measure noise, and are widely used to test compliance with industrial and environmental noise regulations.

Divisions:

Electronic Manufacturing Test Division
Concord, Massachusetts

Engaged in the production of component testing products, specifically resistors, capacitors, coils and integrated circuits; semiconductors for the design of test instruments; communications products, including coaxial components and frequency synthesizers; industrial products including autotransformer voltage controls, stroboscopic tachometers, and line-voltage regulators.

Acoustics, Vibration and Analysis Division
Bolton, Massachusetts

Engaged in the areas of noise measurement and analysis and the assessment of hearing loss due to disease or to exposure to loud noises.

Sales and Services Division
Concord, Massachusetts

Subsidiaries:

GenRad Ltd.
Toronto, Ontario, Canada

GenRad Ltd.
Maidenhead, Berks., United Kingdom

GenRad
Paris, France

GenRad GmbH
Munich, Germany

GenRad SpA
Milan, Italy

GenRad AG
Zurich, Switzerland

GenRad/Benelux B.V.
Best, Netherlands

GenRad Semiconductor Test, Inc.
Milpitas, California

Acquisition(s):

Futuredata Computer Corporation
A manufacturer of microprocessor development systems.

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Number of Employees:

1980	3,031	1977	1,684
1979	2,343	1976	1,510
1978	1,778		

Sales and Earnings ‡

	Net Sales †	Net Income
1980*	$167,698,000	$ 11,053,000
1979	119,414,000	8,512,000
1978	89,353,000	6,373,000
1977	72,478,000	3,600,000
1976	55,766,000	980,000

	No. of Com. Shares +	Earn. per Share +
1980	7,414,000	$1.49
1979	6,458,000	1.32
1978	6,074,000	1.05
1977	5,824,000	0.62
1976	5,776,000	0.17

‡ Restated to include operations of companies acquired on a pooling of interests basis.
† Includes service revenues.
+ Based on the weighted average number of common shares outstanding adjusted to reflect stock splits.
* 53 weeks.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.075	—	2-for-1
1979	0.06	—	—
1978	0.05	—	3-for-2

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity ‡	Equity Per Share +
1980	$ 74,431,000	$9.79
1979	41,890,000	6.47
1978	32,787,000	5.40
1977	23,077,000	3.96
1976	19,465,000	3.37

‡ Restated to include operations of companies acquired on a pooling of interests basis.
+ Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended	1/3/81 (53 weeks)	12/29/79‡
Net sales & service revenues	$ 167,698	$ 119,414
Cost of sales & services	77,642	54,167
Expenses	67,874	49,758
Other income	(631)	(1,154)
Interest expense	3,641	1,950
For. curr. exch.	243	64
Income before taxes	$ 18,929	$ 14,629
Income taxes	8,607	6,117
Cum. effect of change in invent. eval.	(731)	—
Net Income	$ 11,053	$ 8,512

* Included in Costs and Expenses, Depreciation and Amortization: $5,092,000 in 1980 and $3,812,000 in 1979.
‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets
(000's)

As of	1/3/81	12/29/79‡
Cash	$ 3,565	$ 1,410
Accts. receiv., net	43,959	29,736
*Inventories	60,823	41,247
Deferred inc. tax benefits	1,457	1,753
Prepaid exp.	914	629
Other curr. assets	1,189	1,959
Current Assets	$ 111,907	$ 76,734
#Fixed assets	34,979	16,602
Other assets	1,831	1,204
Total Assets	$ 148,717	$ 94,540

Liabilities
(000's)

Notes payable	$ 7,482	$ 13,018
Long-term debt, curr.	1,271	963
Accts. payable	11,479	12,758
Accruals	10,440	9,568
Accrued comp. & taxes	1,402	1,572
Income taxes	1,966	2,647
Curr. Liabilities	$ 34,040	$ 40,526
Long-term debt	38,853	11,374
Deferred inc. taxes	1,393	750
+ Common stock	7,600	3,235
Add. paid-in capital	21,500	3,810
Retained earnings	45,331	34,845
Total Liabilities & Shareholders' Equity	$ 148,717	$ 94,540

‡ Restated to include operations of companies acquired on a pooling of interests basis.
* At cost (FIFO) not in excess of net realizable value.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.29	12.25
%Net Income to Sales	6.59	7.13
%Net Income to Equity	14.85	20.32
Sales to Inventories	2.76	2.90
Working Capital	$ 77,867,000	$ 36,208,000
Current Ratio	3.29	1.89
Shareholders' Equity	$ 74,431,000	$ 41,890,000

George Risk Industries, Inc.

GRI Plaza
Kimball, Nebraska 69145
(308) 235-4645

Officers: George Risk, president & treasurer; Robert Nickels, v.p.; Dale J. Risk, secretary; Kenneth R. Risk, asst. secretary & asst. treasurer; L. Johnson, buyer; R. Nickels, mktg. mgr.; D. Ramsey, production mgr.

Directors: George Risk, chairman, Dale J. Risk, Kenneth Risk, Jerry Anderson, Bob Pinkerton.

Areas of Work: Develops and manufactures computer keyboards, high reliability switches, keyboard switches, and burglar alarm and window switches, and electronic animal control instruments.

Subsidiaries:

Richleu Corporation d/b/a Craftman
Shower Door Co. (inactive)
Columbus, Nebraska

Transfer Agent(s):

George Risk Industries, Inc.
GRI Plaza
Kimball, Nebraska 69145

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	70	1977	51
1979	70	1976	50
1978	60		

Plant Footage:

1980	14,000 sq.ft.	1977	14,000
1979	14,000	1976	14,000
1978	14,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980†	$ 1,517,682	$ 81,707
1979†	1,307,027	126,804
1978†	943,931	72,632
1977	757,042	(100,492)
1976	612,913	(11,600)

	No. of Com. Shares	Earn. per Share ‡
1980†	5,676,071	$0.01
1979†	5,676,071	0.02
1978†	5,651,071	0.01
1977	4,270,451	—
1976	4,270,451	—

(Loss)
† Restated.
‡ Including extraordinary credit of $807,060 ($0.14 per share) in 1978.

Income Account *

Year ended April 30	1980	1979‡
Net sales	$ 1,517,682	$ 1,307,027
Cost of sales	1,105,246	839,493
Expenses	257,057	251,245
Other income	(40,634)	(13,202)
Other expenses	114,306	102,687
Net Income	$ 81,707	$ 126,804

‡ Restated.

Assets

As of April 30	1980	1979
Cash	$ 53,560	$ 30,766
Accts. receiv., net	201,954	225,865
Escrow funds	10,000	10,000
* Inventories	552,404	486,575
Prepaid expenses	4,075	10,179
Current Assets	$ 821,993	$ 763,385
# Fixed assets	220,181	225,840
Other assets	11,022	11,675
Total Assets	$ 1,053,196	$ 1,000,900

George Risk Industries, Inc.

Liabilities

Notes payable	$ 325,169	$ 388,447
Long-term debt, curr.	49,448	54,072
Accts. payable	103,538	110,223
Accruals	71,267	7,776
Accrued taxes	14,433	16,760
Curr. Liabilities	$ 563,855	$ 577,278
Long term debt	224,251	240,241
+ Preferred stock	357,000	357,000
+ + Common stock	567,607	567,607
Add. paid-in capital	777,930	777,930
Deficit	(1,270,825)	(1,352,534)
Treasury stock	(52,560)	(52,560)
Value of shares issued at less than par	(114,062)	(114,062)
Total Liabilities & Shareholders' Equity	$ 1,053,190	$ 1,000,900

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value; $20 stated value, convertible noncumulative.
+ + $0.10 par value.

Statistical Summary

%Net Income to Sales	5.38	9.70
%Net Income to Equity	30.82	69.15
Sales to Inventories	2.75	2.69
Working Capital	$ 258,138	$ 186,107
Current Ratio	1.46	1.32
Shareholders' Equity	$ 265,090	$ 183,381

Geotel, Inc.

185 Dixon Avenue
Amityville, New York 11701
(516) 842-2300

Officers: Eugene F. Murphy, president; Anton F. Persek, exec. vice president & treasurer; Marie Rorke, secretary & asst. treasurer; William J. Waymack, assistant secretary.

Directors: Benjamin V. Wright, Jr., Anton F. Persek, Eugene F. Murphy, Bernard Schniebolk, Charles Seibert, Richard L. Geiger.

Divisions:

Flight Research Division
Charles City Road & Lewis Road
Richmond, Viriginia 23201
(804) 222-0163

Manufactures precision photo-instrumentation and analog-to-digital converters. The photo-instrumentation products include systems for industrial and banking surveillance, CRT and radar recordings, time lapse photographic instruments, photo-logging systems, as well as industrial viewers and projectors.

Plasmadyne Division
3839 South Main Street
Santa Ana, California 92702
(714) 545-7171

Manufactures plasma spray systems for producing thermally bonded coatings of metallic, plastic and ceramic materials; plasma arc lamps; plasma welding equipment.

Telemet Division
185 Dixon Avenue
Amityville, New York 11701
(516) 842-2300

Manufactures solid state communications test equipment used in the broadcast, CATV, CCTV, educational TV, telephone and other communications markets.

Transfer Agent(s):

American Transfer Company
44 Beaver Street
New York, New York 10015

Stock Exchange(s): Over-the-Counter

Ticker Symbol: GETE (NASDAQ)

Number of Stores:(at fiscal year end)

1980	115	1977	100
1979	118	1976	136
1978	110		

Plant Footage:

1980	110,000 sq. ft.	1977	110,000
1979	110,000	1976	110,000
1978	110,000		

Sales and Earnings

	Net Sales	Net Income #
1980	$ 6,926,627	$ 1,157,998
1979	5,253,366	435,812
1978	3,948,304	37,373
1977	3,537,125	(345,198)
1976	3,966,742	(50,900)

	No. of Com. Shares	Earn. per Share # ‡
1980	1,555,113	$0.41
1979	1,555,113	0.21
1978	1,555,113	0.02
1977	1,555,113	—
1976	1,555,113	—

(Loss)
# Including extraordinary loss of $59,140 in 1977, and extraordinary gains of $647,693 ($0.23 per share) in 1980, and $181,000 ($0.09 per share) in 1979.
‡ Based on the number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Per Share
1980	$ 1,978,313	$1.27

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 6,926,627	$ 5,253,366
Cost of sales	4,184,654	3,252,784
Expenses	1,722,862	1,287,036
Interest expense	164,071	246,543
Other income	(47,265)	(39,692)
Excise tax settle.	—	55,351
Income before taxes	$ 902,305	$ 451,344
Income taxes	392,000	196,532
Net Income	$ 510,305	$ 254,812
Extraord. gain	647,693	181,000
Net Income & extraord. gain	$ 1,157,998	$ 435,812

* Included in Cost and Expenses, Depreciation and Amortization: $143,780 in 1980 and $129,321 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 247,974	$ 152,055
Accts. receiv., net	1,002,269	626,486
* Inventories	1,616,560	1,514,352
Deferred taxes	229,000	—
Prepaid expenses	48,772	41,697
Current Assets	$ 3,144,575	$ 2,334,590
# Fixed assets	298,969	236,559
† Prop. under cap. leases	124,599	188,523
Other assets	93,162	66,055
Total Assets	$ 3,661,305	$ 2,825,727

Liabilities

Bank loan	$ —	$ 370,169
Long-term debt, curr.	76,840	382,299
Cap. lease oblig., curr.	101,618	93,522
Accts. payable	247,220	352,861
Accruals	349,776	298,546
Accured payroll	201,616	57,995
Income taxes	288,372	—
Curr. Liabilities	$ 1,265,442	$ 1,555,392
Long-term debt	309,086	1,310,753
Cap. lease oblig.	108,464	210,083
+ Common stock	303,244	158,174
Add. paid-in capital	3,474,583	2,548,837
Deficit	(1,799,514)	(2,957,512)
Total Liabilities & Shareholders' Equity	$ 3,661,305	$ 2,825,727

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
† Less accumulated amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.03	8.59
%Net Income to Sales	7.37	4.85
%Net Income to Equity	25.79	—
Sales to Inventories	4.28	3.47
Working Capital	$ 1,879,133	$ 779,198
Current Ratio	2.48	1.50
Shareholders' Equity (Deficiency)	$ 1,978,313	$ (250,501)

Gerber Scientific, Inc.

83 Gerber Road
South Windsor, Connecticut 06074
(203) 644-1551

P.O. Box 305
Hartford, Connecticut 06101

Officers: H. Joseph Gerber, president; Stanley Leven, sr. v.p. & secretary; David J. Logan, sr. vice president-engineering; Robert J. Maerz, sr. vice president-marketing & operations; George Gentile, sr. vice president-finance & treasurer.

Directors: H. Joseph Gerber, Stanley Leven, Belmont Towbin, Stanley Simon, Roger B. McCormick.

Areas of Work: Specializes in the design, manufacture, sale and service of computer-automated plotting and digitizing systems and Interactive Design Systems.

Subsidiaries:

The Gerber Scientific Instrument Company
83 Gerber Road
South Windsor, Connecticut 06074
(203) 644-1551

Computer-controlled drafting and graphic systems.

Gerber Garment Technology, Inc.
55 Gerber Road
South Windsor, Connecticut 06074
(203) 644-2401

Produces computer controlled cloth cutting equipment for the garment industry.

Gerber Systems Technology
Gerber Road
South Windsor, Connecticut 06074

Interactive computer graphic design and data management systems used in computer-aided design and manufacturing (CAD/CAM).

Gerber Scientific-Europe, S.A.
Rue E. Steeno 27
1160 Brussels, Belgium

Gerber Scientific-U.K. Limited
Hunting House
Central Way, Feltham
Middlesex, England

Gerber Scientific Instruments, GmbH
Munich, Germany

Gerber Scientific Exporting, Inc.
(DISC)
So. Windsor, Connecticut

Beta Engineering and Development, Inc.
(54% owned)
P.O. Box 98
Beer-Sheva, Israel

Manufactures medical electronics hardware, computer-related components, cryogenic equipment and military hardware.

Gerber Scientific Leasing, Inc.

Gerber Scientific Products, Inc.

Develops special products to order specifications.

Affiliate:

Boston Digital Corporation (40.2% owned)
Holliston, Massachusetts

Manufactures numerically controlled machine tools.

Transfer Agent(s):

The Connecticut Bank and Trust Company
Hartford, Connecticut

Stock Exchange(s): American

Ticker Symbol: GRB

Plant Footage:

1980	500,000 sq.ft.	1977	107,000
1979	N/A*	1976	107,000
1978	167,000		

* Not available.

Sales and Earnings

	Net Sales	Net Income #
1980	$ 74,400,000	$ 5,854,000
1979	45,049,000	3,877,000
1978	27,232,000	1,707,000
1977	20,777,878	1,024,121
1976	14,480,386	16,243

	No. of Com. Shares	Earn. per Share ‡ #
1980	3,099,000	$1.89
1979	3,070,000	1.26
1978	3,000,000	0.57
1977	2,928,000	0.34
1976	2,810,000	0.01

(Loss)

# Including extraordinary gains of $13,906 ($0.01 per share) in 1977 and $18,580 ($0.01 per share) in 1976.

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.125	—	2-for-1
1979	0.085	—	3-for-2

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 20,524,000	$6.62
1979	14,678,000	4.78
1978	10,816,000	3.61
1977	8,998,653	3.07
1976	7,925,768	2.82

† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *

Year ended April 30	1980	1979
Net sales	$ 74,400,000	$ 45,049,000
Cost of sales	38,792,000	23,405,000
Expenses	25,055,000	15,075,000
Interest expense	2,608,000	935,000
Other income	(2,087,000)	(1,439,000)
Income before taxes	$ 10,032,000	$ 7,073,000
Income taxes	4,000,000	3,123,000
Minority interest	178,000	73,000
Net Income	$ 5,854,00	$ 3,877,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,214,000 in 1980 and $739,000 in 1979.

Assets

As of April 30	1980	1979
Cash	$ 6,541,000	$ 1,134,000
Accts. receiv., net	21,592,000	15,625,000
* Inventories	24,033,000	14,985,000
Prepaid expenses	348,000	276,000
Current Assets	$ 52,514,000	$ 32,020,000
Investments	1,611,000	1,363,000
# Fixed assets	11,743,000	6,355,000
Other assets & intangibles	1,873,000	1,051,000
Total Assets	$ 67,741,000	$ 40,789,000

Liabilities

Notes payable	$ 2,768,000	$ 1,345,000
Long-term debt, curr.	175,000	126,000
Accts. payable	8,240,000	5,132,000
Accruals	3,316,000	984,000
Accrued payroll	2,799,000	2,178,000
Income taxes	5,110,000	2,460,000
Advance payments	1,624,000	3,438,000
Curr. Liabilities	$ 24,032,000	$ 15,663,000
Long-term debt	22,560,000	9,621,000
Deferred inc. taxes	186,000	566,000
Minority interest	439,000	261,000
+ Common stock	3,051,000	1,511,000
Add. paid-in capital	2,756,000	3,925,000
Retained earnings	14,717,000	9,242,000
Total Liabilities & Shareholders' Equity	$ 67,741,000	$ 40,789,000

* At lower of average cost (FIFO) or market.

# Less accumulated depreciation.

+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.48	15.54
%Net Income to Sales	7.87	8.61
%Net Income to Equity	28.52	26.41
Sales to Inventories	3.10	3.01
Working Capital	$ 28,482,000	$ 16,096,000
Current Ratio	2.19	2.01
Shareholders' Equity	$ 20,524,000	$ 14,678,000

GK Technologies Incorporated

GK Technologies Building
500 West Putnam Avenue
Greenwich, Connecticut 06830
(203) 661-0100

Officers: Robert P. Jensen, chairman of the board, president & chief executive officer; John P. Denneen, sr. v.p., general counsel & secretary; Dennis G. Little, sr. v.p.; treasurer & chief financial officer; S. Robert Breitbarth, v.p. & pres.-General Cable Int'l. Inc.; Edward J. Holton, v.p.& pres.-General Cable Company; Eugene G. Swartz, v.p. & pres.-Automation Industries, Inc.; Neal W. Welch, v.p. & chmn.-Sprague Electric Company; Larry G. Morris, v.p.-administration; Donald R. Kampman, v.p. & controller; William T. Warburton, staff v.p.-corp. audit; Stephen J. Breckley, staff v.p.-corp. business services; John L. Sprague, v.p. & pres.-Sprague Electric Company; Francis J. Doyle, asst. controller; John F. Kent, Jr., asst. general counsel & asst. secretary; Robert L. Marlow, assoc. general counsel & asst. secretary; Ernest W. Murphy, asst. treasurer; James K. McConnell, staff v.p. & dir. of transportation; Martin I. Weistrop, staff v.p. & dir. of taxes.

Directors: Robert P. Jensen*, chairman; A. Leon Fergenson*, Alan T. Wenzell*, George V. Comfort*, Berkeley D. Johnson, Frederick A. Collins, Jr.*, Arthur G. Boardman, Jr., Neal W. Welch, John E. Kircher, Gerald Ford, William H. Donaldson, Dennis G. Little.

*Member of Executive Committee.

Areas of Work: Manufactures and sells wire and cable and related products to communications, electrical, utility, industrial, transportation, construction and consumer markets. Also maufactures fixed capacitors and other electronic components which are essential to electronic circuits of varying complexity, including thick-film resistors, thick-film hybrid circuits, filters, magnetic components, other special-purpose assemblies, transistors, and semiconductor integrated circuis. Provides technical services to government and commercial customers.

Subsidiaries:

Automation Industries
1901 Building, Century City
Suite 2000
Los Angeles, California 90067

Sprague Electric Compay
87 Marshall Street
North Adams, Massachusetts 01247

Engaged in the manufacture, distribution and sale of electronic and electrical circuit components.

General Cable International Inc.
500 West Putnam Avenue
Greenwich, Connecticut 06830

Transfer Agent(s):

Bradford Trust Company
Fort Lee Executive Park
One Executive Drive
Fost Lee, New Jersey 07024

Stock Exchange(s): New York

Ticker Symbol: GK

Number of Employees:

1980	23,000	1977	16,000
1979	25,000	1976	15,300
1978	24,000		

Plant Footage:

1980 . . . . . . 8,240,000 sq. ft.

Sales and Earnings

	Net Sales (000's)	Net Income (000)'s
1980	$ 1,189,666	$ 70,154
1979	1,140,813	60,763
1978	847,993	25,349
1977	620,505	20,301
1976	349,213	16,760

	No. of Com. Shares †	Earn. per Share †
1980	12,154,727	$5.33
1979	11,475,817	4.75
1978	13,568,406	1.63
1977	14,275,996	1.37
1976	14,271,186	1.17

† Based on the average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Wire and Cable	$ 317,900	$ 387,688
Electronic and Elec. Circ. Comp.	452,988	371,920
Technical Svcs.	220,080	179,738
Environ. Prod.	100,723	92,143
Other	97,975	109,324
Total	$ 1,189,666	$ 1,140,813

GK Technologies Incorporated

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.40	—	—
1979	1.15	—	—
1978	1.05	—	—
1977	0.77	—	—
1976	0.72	—	—

Common Stock Equity
(000's)

	Total Equity (000's)	Equity Per Share
1980	$ 276,868 ‡	$22.78
1979	202,457 ‡	17.64
1978	160,300 ‡	14.03
1977	209,359 ‡	14.66
1976	200,949	14.08

‡ After allowing for preferred stock at par value.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 1,189,666	$ 1,140,813
Cost of sales	910,548	905,348
Expenses	147,339	128,447
Other income	(19,581)	(25,425)
Interest expense	21,682	20,677
Income before taxes	$ 129,678	$ 111,766
Income taxes	59,524	51,003
Net Income	$ 70,154	$ 60,763

* Included in Costs and Expenses, Depreciation: $24,954,000 in 1980 and $22,925,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash & invest.	$ 19,949,000	$ 13,265,000
Accts. receiv., net	174,996,000	176,007,000
*Inventories	207,278,000	189,692,000
Prepaid expenses	16,547,000	19,937,000
Current Assets	$ 418,770,000	$ 398,901,000
Investments	63,867,000	56,483,000
#Fixed assets	226,550,000	203,667,000
Defer. charges	4,933,000	7,153,000
Intangibles	18,615,000	18,483,000
Total Assets	$ 732,735,000	$ 684,687,000

Liabilities

	1980	1979
Notes payable	$ 4,941,000	$ 4,757,000
Long-term debt, curr.	11,795,000	24,168,000
Accts. payable	61,348,000	72,490,000
Accruals	97,166,000	96,683,000
Dividends payable	1,097,000	1,570,000
Income taxes	14,970,000	33,448,000
Curr. Liabilities	$ 191,317,000	$ 233,116,000
Long-term debt	179,516,000	143,404,000
Minority interest	8,364,000	11,101,000
Deferred inc. taxes	25,181,000	16,969,000
+ Redeem. pref. stock	25,000,000	25,000,000
+ + Convert. pref. stock	26,489,000	52,640,000
+ + + Common stock	16,377,000	16,377,000
Add paid-in capital	39,166,000	29,875,000
Retained earnings	271,176,000	223,236,000
Treasure stock	(49,851,000)	(67,031,000)
Total Liabilities & Shareholders' Equity	$ 732,735,000	$ 684,687,000

* At lower of cost (FIFO & LIFO) or market.
# Less accumulated depreciation.
+ $100 par value; $8.75 cumulative.
+ + $25 par value; $1.94 cumulative
+ + + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.90	9.80
%Net Income to Sales	5.90	5.33
%Net Income to Equity	23.13	26.99
Sales to Inventories	5.74	6.01
Working Capital	$ 227,453,000	$ 165,785,000
Current Ratio	2.19	1.71
Shareholders' Equity	$ 303,357,000	$ 225,097,000

The Gleason Works

1000 University Avenue
Rochester, New York 14692
(716) 473-1000

Officers: Alfred J. Murrer, chairman of the board & chief executive officer; James S. Gleason, president & chief operating officer; Karl F. Fuchs, vice chairman; Charles C. Park, exec. v.p.; Hans E. Liebert, Irving W. Peachey, sr. v.p.'s; Walter E. Andrus, v.p.-industrial & public relations; Albert W. Moore, pres.-Machine Division; Joel E. Kocen, v.p.-finance & treasurer; Morton A. Polster, secretary & corp. counsel; Ralph E. Harper, asst. secretary & asst. corp. counsel.

Directors: Alfred J. Murrer, Irving W. Peachey, James S. Gleason, Robert W. Bjork, Alexander D. Hargrave, Charles C. Park, Julian W. Atwater, Ernest I. Reveal, Jr., Karl F. Fuchs, Walter E. Andrus, Edward W. Keck, Albert W. Moore, Roland A. Paul, Eugene Van Voorhis, Robert A. Sherman.

Areas of Work: Produces a line of more than 80 precision machines and the associated tooling to customer specifications and needs. Provides equipment and technology for the production of bevel gears, Curvic couplings, key Wankel engine parts and other components for mechanical power transmission systems. Also performs contract manufacturing of parts and subassemblies, molds, dies and fresnel lenses to a variety of industrial customers.

Divisions and Subsidiaries:

Alliance Tool Corporation
Rochester, New York

Gleason Machine Division
Rochester, New York

Gleason Works, S.A.
Baudour, Belguim

Gleason Works Ltd.
Plymouth, England

Gleason Stuttgart
Stuttgart, Germany

Gleason Precision Forming, Inc.
Oxford, Michigan

Pennsylvania Pressed Metals, Inc.
Emporium, Pennsylvania

Acquisition(s):

Pennsylvania Pressed Metals, Inc. (3/80)
Engaged in the production of powder metal parts used by a wide range of consumer and industrial manufacturers.

Transfer Agent(s):

Lincoln First Bank of Rochester
Rochester, New York 14603

Stock Exchange(s): New York

Ticker Symbol: GLE

Number of Employees:

1980	4,800	1977	3,100
1979	4,800	1976	2,800
1978	3,300		

Plant Footage:

1980	1,695,000 sq. ft.	1977	1,230,100
1979	1,695,000	1976	1,230,100
1978	1,230,100		

Sales and Earnings

	Net Sales	Net Income †
1980	$ 242,640,000	$ 16,327,000
1979	217,065,000	19,572,000
1978	190,628,000	16,354,000
1977	150,720,000	13,845,000
1976	115,162,000	6,068,000

	No. of Com. Shares	Earn. per Share #†
1980	5,007,415	$3.26
1979	5,007,415	3.91
1978	5,007,415	3.27

# Based on average number of shares outstanding.
† Including extraordinary gains of $708,000 ($0.14 per share) in 1978, $2,098,000 in 1977 and $1,439,231 in 1976.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.80	—	—
1979	0.80	—	—
1978	0.60	—	—
1977	0.48	—	—
1976	0.29	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 105,128,000	$20.99
1979	92,807,000	18.53
1978	77,241,000	15.43

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 242,640,000	$ 217,065,000
Cost of sales	171,497,000	145,736,000
Expenses	45,751,000	41,824,000
Interest expense	2,531,000	1,909,000
Other income	(1,686,000)	(1,103,000)
Effect of foreign curr. fluctuations	(804,000)	(1,755,000)
Minority interest	198,000	—
Income before taxes	$ 25,153,000	$ 30,454,000
Income taxes	8,826,000	10,882,000
Net Income	$ 16,327,000	$ 19,572,000

* Included in Costs and Expenses, Depreciation and Amortization: $7,875,000 in 1980 and $6,243,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 4,382,000	$ 6,339,000
Marketable securities	247,000	933,000
Accts. receiv., net	59,582,000	43,329,000
*Inventories	42,078,000	38,462,000
Prepaid expenses	2,330,000	2,504,000
Current Assets	$ 108,619,000	$ 91,567,000
# Fixed assets	73,124,000	53,372,000
Other assets & defer. charges	3,171,000	2,085,000
Total Assets	$ 184,914,000	$ 147,024,000

Liabilities

	1980	1979
Notes payable	$ 737,000	$ 590,000
Long-term debt, curr.	3,605,000	2,827,000
Accts. payable	16,604,000	13,132,000
Accruals	20,777,000	16,255,000
Income txes	8,442,000	5,223,000
Curr. Liabilities	$ 50,165,000	$ 38,027,000
Long-term debt	24,985,000	13,789,000
Deferred inc. taxes	3,127,000	2,401,000
Minority interest	1,509,000	—
+ Common stock	5,007,000	5,007,000
Add. paid-in capital	1,968,000	1,968,000
Retained earnings	98,153,000	85,832,000
Total Liabilities & Shareholders' Equity	$ 184,914,000	$ 147,024,000

* At cost (LIFO) which is less than current market value for parent co. Subsidiaries are at lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.37	14.03
%Net Income to Sales	6.73	9.02
%Net Income to Equity	15.53	21.09
Sales to Inventories	5.77	5.64
Working Capital	$ 58,454,000	$ 53,540,000
Current Ratio	2.17	2.41
Shareholders' Equity	$105,128,000	$ 92,807,000

The Goodyear Tire & Rubber Company

Akron, Ohio 44316
(216) 794-2121

Officers: Charles J. Pilliod Jr., chairman of the board & chief executive officer; Robert E. Mercer, president & chief operating officer; Tom H. Barrett, J. Robert Hicks, Jacques R. Sardas, Ib Thomsen, group executive v.p.'s; Thomas F. Minter, Scott H. Buzby, Edwin M. Humphrey, Wendell L. Minor, F. Vincent Prus, executive v.p.'s; V. Lawrence Petersen, Joseph F. Hutchinson, John P. Kelley, Charles A. Bethel, Stanley J. Mihelick, Joseph C. Graden, Carl E. Snyder, William L. Newkirk, Robert W. Milk, Frederick J. Kovac, William R. Miller, Frank R. Tully, Hoyt M. Wells, Westi Hansen, Douglas F. Hill, v.p.'s; Frederick S. Myers, v.p., general counsel & secretary; Donald R. Kronenberger, v.p. & treasurer; G. Alexander Sampson, v.p. & controller; Bennett H. Shaver, Thomas E. Wightman, Richard W. Tuley, asst. treasurers; Richard E. Barnett, John Davies, John M. Ross, asst. secretaries; Robert B. Scharlotte, James E. MacDonald, Arnold D. Holt, asst. comptrollers.

Directors: Robert H. Platt, Lloyd B. Smith*, Philip O. Geier Jr., Edwin D. Dodd*, Romulo O'Farrill Jr., H. Guyford Stever, Jacques R. Sardas, Thomas F. Minter, Ib Thomsen, Charles J. Pilliod, Jr.*, Robert E. Mercer, Ruben F. Mettler*, W. Howard Fort*, Lewis W. Foy, William C. Turner, J. Robert Hicks*, Tom H. Barrett.

*Member of Executive Committee.

Areas of Work: The Company's major product lines are as follows: tire and metal wheels; chemicals-rubbers, latices, resins, polyester resins, and adhesives; industrial goods including conveyor belts, drive belts, industrial hose and other rubber products; foam products, wheels, hubs, brake drums, disc brake rotors, exhaust and tail pipes, axle assemblies, rims, transport systems, tracked vehicle components, water pollution control systems, heating and air conditioning equipment and electric brakes; aviation products, tires, tubes, retreads, wheels, brakes, skid control systems, brake temperature monitoring systems; fuel tanks, erosion coatings and cements, electric heated fuselage door and wall panels, electric heated aircraft ice protection equipment, air-supported radomes, inflatable shelters, platforms and mairne buoys, marine sonar domes and marine anti-foulant materials; shoe products; film-packaging films, plastic film and sheeting, laminating films; vinyl floor tiles and materials; foam cushioning; systems guidance and navigation systems, trainers and simulators, electronic subsystems, aerospace ground equipment radar systems, vinyl flooring, counter tops and wall covering; aerospace items including airframe assemblies, rescue and recovery systems, tactical missile space technology and equipment, data processors, commercial plastic products and fabric structures, lighter-than-air devices, mobile photo processing facilities, reconnaissance and surveillance systems, intelligence and military data processing equipment, and undersea warfare systems. Also operates for the U.S. government an atomic energy facility which produces enriched unranium for nuclear power.

Electronic Subsidiary:

Goodyear Aerospace Corporation
1210 Massillon Road
Akron, Ohio 44306

Transfer Agent(s):
National City Bank
623 Euclid Avenue
Cleveland, Ohio 44114

Manufacturers Hanover Trust Company
4 New York Plaza
New York, New York 10015

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: GT

Number of Employees:

1980	144,452	1977	152,890
1979	154,061	1976	151,263
1978	154,013		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 8,444,000	$ 206,711
1979	8,238,676	146,184
1978	7,489,102	226,127
1977	6,627,818	205,781
1976 +	5,791,494	120,624

	No. of Com. Shares	Earn. per Share ‡
1980	71,761,086	$2.88
1979	71,860,906	2.02
1978	71,534,995	3.12
1977	71,466,328	2.85
1976	71,774,948	1.67

+ Restated for comparative purposes.
‡ Based on the average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
New tires & tubes	$ 5,710,400	$ 5,376,200
Related transportation products	1,305,200	1,484,700
Industrial rubber, chem. & plast. prod.	997,600	985,400
Other prod. & svcs.	430,800	392,400
Total	$ 8,444,000	$ 8,238,700

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.30	—	—
1979	1.30	—	—
1978	1.30	—	—
1977	1.20	—	—
1976	1.10	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1980	$ 2,302,500	$32.09
1979	2,163,350	30.18
1978	2,108,159	29.47
1977	1,973,854	27.62
1976 +	1,860,568	25.92

+ Restated for comparative purposes.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 8,444,015	$ 8,238,676
Other income	54,102	92,427
Total income	$ 8,498,117	$ 8,331,103
Cost of sales	6,654,066	6,569,675
Expenses	1,263,913	1,193,327
Minority interest	11,089	6,457
Interest expense	226,847	204,030
For curr. trans loss	7,429	40,075
Plant closures	(16,764)	60,594
Income before taxes	$ 351,537	$ 256,945
Income taxes	144,826	110,761
Net Income	$ 206,711	$ 146,184

*Included in Costs and Expenses, Depreciation: $228,943,000 in 1980 and $281,082,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 67,823	$ 72,004
Accts. & notes receiv., net	1,144,043	1,216,830
*Inventories	1,582,213	1,536,095
Prepaid expenses	62,052	50,071
Current Assets	$ 2,856,131	$ 2,875,000
Investments	215,029	193,839
# Fixed assets	2,277,851	2,283,901
Defer. charges	19,290	18,499
Total Assets	$ 5,368,301	$ 5,371,239

Liabilities
(000's)

	1980	1979
Long-term debt, curr.	$ 35,642	$ 40,405
Accts. payable	913,344	857,212
Income taxes	283,582	260,082
Short-term debt	147,109	182,871
Curr. Liabilities	$ 1,379,677	$ 1,340,570
Long-term debt	1,063,353	1,272,205
Long-term cap. lease oblig.	177,287	189,931
Other liabilities	176,607	158,493
Minority interest	65,880	54,517
Deferred inc. taxes	202,997	192,173
+ Common stock	57,807	57,726
Add. paid-in capital	225,062	223,406
Retained earnings	2,019,631	1,882,218
Total Liabilities & Shareholders' Equity	$ 5,368,301	$ 5,371,239

*At lower of cost (LIFO or average) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	4.16	3.12
%Net Income to Sales	2.45	1.77
%Net Income to Equity	8.98	6.76
Sales to Inventories	5.34	5.36
Working Capital	$1,476,454,000	$1,534,430,000
Current Ratio	2.07	2.14
Shareholders' Equity	$2,163,350,000	$2,163,000,000

Gould Inc.

10 Gould Center
Rolling Meadows, Illinois 60008
(312) 640-4000

Officers: William T. Ylvisaker, chairman of the board & chief executive officer; David Simpson, president & chief operating officer; George P. Millington, Jr., vice chairman and chief administrative officer, William C. Musham, vice chairman; Robert H. Pry, executive v.p.-research and development; John A. Blaeser, group v.p.-electronic systems; Harry A. Canter, group v.p.-electrical products; Stanley N. Gaines, group v.p.-battery; Lee N. Mortenson, group v.p.-electronic products; Robert T. Norris, group v.p.-industrial; Henry J. Peppers, group v.p.-government systems; Charles M. Brennan, III, sr. v.p.-finance; J. Richard Iverson, sr. v.p.-government marketing; Richard L. Williams III, sr. v.p.-general counsel; Terrance J. Bruggeman, v.p.-treasurer; Delbert O. Fuller, v.p.-communications; Daniel W. Verser, v.p.-planning; Nancy R. Jack, corporate secretary; Anthony J. Sabatino, v.p.-technology, battery group; Thomas L. Swint, v.p.-controller; George W. Welsh, v.p.-corporate development.

Directors: Roy D. Chapin, Jr.; Daniel J. Donahue, W. John Driscoll, Howard M. Love, George P. Millington, Jr.; William C. Musham, Donald W. Nyrop, Keith R. Potter, Louis H. Roddis, Jr.; John P. Schroeder, David Simpson, A.A. Sommer, Jr.; Lyman E. Wakefield, Jr.; William T. Ylvisaker, chairman; Richard J. Hanschen, Patrick G. Ryan.

Gould Inc.

Areas of Work: Operating segments include: electronic components-manufactures copper foil used in printed circuits, uninterruptible power systems, AC line conditioners, super isolation transformers, DC/AC static inverters, digital minicomputers; medical products-produces blood pressure transducers and disposable accessories, and computerized pulmonary diagnostic systems; government systems-manufactures torpedoes, training and simulation equipment; electrical products-produces vehicular electrical systems, electric motors, fuses, programmable controllers, logic analyzers, digital oscilloscopes, direct writing recorders and electrostatic recorders; battery products-manufactures automotive, truck, marine and recreational vehicle starting batteries, industrial batteries for lift trucks, mine vehicles, submarines, railroads, and the utility industry, zinc-air batteries, drycell batteries, nickel-cadmium batteries and gelyte batteries; industrial products-produces bearings, pistons and sleeves, hydraulic hoses, suspension equipment for trucks, and bushings.

Divisions and Subsidiaries:

Automotive Battery Division
P.O. Box 3240
St. Paul, Minnesota 55165
(612) 452-1500

Advanced Development Division
18901 Euclid Avenue
Cleveland, Ohio 44117
(216) 486-8300

Allied Control Division
100 Relay Road
Plantsville, Connecticut 06479
(203) 628-9654

Engine Parts Division
17000 St. Clair Avenue
Cleveland, Ohio 44110
(216) 481-7221

Gould Laboratories
Electrical & Electronic Research
40 Gould Center
Rolling Meadows, Illinois 60008
(312) 539-3464

New Business Division
Actuator Systems
4399 Industrial Parkway
Willoughby, Ohio 44094
(216) 946-3434

New Business Division
Emission Control Systems
540 East 105th Street
Cleveland, Ohio 44108
(216) 851-5500

New Business Division
Electric Vehicle Power
Systems/Vehicular Electronics
86 Cambridge Street
Burlington, Massachusetts 01803
(617) 273-1200

Portable Battery Division
931 North Vandalia Street
St. Paul, Minnesota
(612) 452-1500

Statham Instruments Division
2230 Statham Blvd.
Oxnard, California 93030
(805) 487-8511

Century Electric Division
1831 Chestnut Street
St. Louis, Missouri 63103
(314) 342-2500

Elastomer Products Division
Lockwood Road
Milan, Ohio 44846
(419) 499-2541

Electric Motor Division
6393 Coffeen Street
Watertown, New York 13601
(315) 788-5530

Chesapeake Instrument Division
6711 Baymeadow Drive
Glen Burnie, Maryland 21061
(301) 760-3100

Foil Division
17000 St. Clair Avenue
Cleveland, Ohio 44110
(216) 481-7200

Gould Laboratories
Energy Research
P.O. Box 3140
St. Paul, Minnesota 55165
(612) 452-1500

Gould Labs-Material Research
540 East 105th Street
Cleveland, Ohio 44108
(216) 851-5500

Heating Element Division
500 Gould Drive
Cookeville, Tennessee 38501
(615) 858-2111

Industrial Battery Division
467 Calhoun Street
Trenton, New Jersey 08607
(609) 392-3111

Instrument Systems Division
3731 Perkins Avenue
Cleveland, Ohio 44114
(216) 361-3315

Systems Support Division
18901 Euclid Avenue
Cleveland, Ohio 44117
(216) 486-8300

Axios Industria Mecanica, Ltda.
Sao Paulo, Brazil

Clevite de Mexico, S.A. de C.V.
Naucalpan, Mexico

Clevite Service Europe
Antwerp, Belgium

Electronica International de Baja California, S.A.
Tijuana, Mexico

Metals Division
P.O. Box 3484
St. Paul, Minnesota 55165
(612) 452-1500

Oceans Systems Division
18901 Euclid Avenue
Cleveland, Ohio 44117
(216) 486-8300

Plastics Division
4044 North 31st Street
Milwaukee, Wisconsin 53126
(414) 445-5555

Powder Metal Products Division
P.O. Box 312, Becks Mill Road
Salem, Indiana 47167
(812) 883-3381

Gould Europe Advance Electronics Ltd.
Roebuck Road
Hainault, Essex
England

Gould Asia-Pacific, Ltd.
Kowa Building No. 16
9-20 Akasaka 1-chome
Minato-ku, Tokyo 107 Japan

Gould Clevite Italia, S.p.A.
Gardolo di Trento, Italy

Gould Contardo
Madrid, Spain
Milan, Italy
Mysen, Norway

Gould Distributions, Ltd.
St. Thomas, Ontario, Canada

Gould Europe, S.A.
Chaussee de la Hulpe 185
B-1170 Brussels, Belgium

Gould Foils Ltd.
Thornhill, Southhampton, England

Gould Mfg. of Canada, Ltd.
Burgess Division
445 Buttrey Street
Niagara Falls, Ontario, Canada
(416) 354-1671

Gould Mfg. of Canada Ltd.
Industrial Battery Division
275 Lewis Street
Ft. Erie, Ontario, Canada
(416) 871-5600

Gould Mfg. of Canada Ltd.
Mechanical Products Division
1177 Talbot Street
St. Thomas, Ontario, Canada
(519) 631-4880

Gould Metall G.m.b.H.
Haupstrasse 3
7831 Eichstetten
West Germany

Gould/Deltec Corporation
San Diego, California

Develops and manufactures uninterruptible power systems and other power conversion equipment.

Gould Simulation Systems Division
50 Marcus Drive
Melville, New York 11747
(516) 454-6300

Manufactures training and simulation equipment.

Advanced Systems Division
10 Gould Center
Rolling Meadows, Illinois 60008
(312) 640-4000

Develops long-term, government-sponsored advanced technology programs.

I-T-E Imperial Corporation
Spring House, Pennsylvania

Manufactures equipment for the transmission, distribution, conservation and control of electrical energy and of components to convey, connect and control fluid energy.

R. B. Denison
Bedford, Ohio

Manufactures industrial limit switches and sensors.

Modicon Corporation
Andover, Massachusetts

Designs and manufactures programmable controllers.

Hoffman Electronics Corporation
El Monte, California

A producer of avionic systems and audiovisual educational equipment.

Bio-Mation Corporation
Santa Clara, California

Produces transient recorders and digital logic analyzers used in the maintenance and testing of electronic products.

Acquisition(s):

Systems Engineering Laboratories, Inc.
Fort Lauderdale, Florida
(305) 587-2900

Produces digital minicomputers for research, industrial process and control, for generation and distribution of electrical power, and for exploration and development of new fuel and energy sources.

Taylor Electric, Inc.
2410 Highway 281 North
Marble Falls, Texas 78654
(512) 693-3522

Produces segmented fuse holders, wiring ducts, and power distribution blocks.

SRL Medical, Inc.
4676 Indian Ripple Road
Dayton, Ohio 45440
(513) 426-0033

Designs and manufactures computerized pulmonary diagnostic systems.

Gettys Manufacturing Company
2701 North Green Bay Road
Racine, Wisconsin 53404
(414) 637-6591

Manufactures and distributes high performance motion control systems.

Transfer Agent(s):

Morgan Guaranty Trust of New York
23 Wall Street
New York, New York 10015

Stock Exchange(s): New York, Midwest

Ticker Symbol: GLD

Number of Employees:

1980	35,261	1977	37,887
1979	37,743	2976	35,938
1978	40,031		

Sales and Earnings †

	Net Sales (000's)	Net Income (000's)
1980	$ 2,199,900	$ 72,500
1979	2,094,900	110,400
1978	1,931,600	106,400
1977	1,657,900	95,900
1976	1,250,700	65,700

	No. of Com. Shares	Earn. per Share ‡
1980	34,618,000	$2.10
1979	33,698,000	3.27
1978	33,080,000	3.27
1977	29,868,000	3.12
1976	28,156,000	2.51

† Restated to include operations of companies acquired on a pooling of interests basis.

‡ Based on weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1980	1979
Electrical prods.	$ 504,800	$ 502,600
Electronic prods.	693,700	594,300
Battery prods.	435,300	467,000
Industrial prods.	559,900	524,900
General corporate	6,200	6,100
Total	$ 2,199,900	$ 2,094,900

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$1.72	—	—
1979	1.66	—	—
1978	1.48	—	—
1977	1.24	—	—
1976	0.95	—	3-for-2

‡ Adjusted to reflect stock split.

Common Stock Equity †

	Total Equity ‡	Equity Per Share
1980	$ 802,781,000	$23.19
1979	770,264,000	22.86
1978	701,670,000	21.21

† Restated to include operations of companies acquired on a pooling of interest basis.

‡ After allowing for preferred stock at stated value.

Income Account *
(000's)

Year ended Dec. 31	1980	1979 ‡
Net sales	$ 2,199,862	$ 2,094,893
Other income	30,365	25,220
Minority interest	16,901	5,333
Revenues	$ 478,461	$ 421,422
Cost of sales	2,247,128	2,125,446
Expenses	1,574,694	1,483,058
Interest expense	60,726	52,908
Other expenses (income)	4,026	(3,313)
Income before taxes	$ 129,221	$ 171,371
Income taxes	56,747	61,008
Net Income	$ 72,474	$ 110,363

* Included in Costs and Expenses, Depreciation: $59,891,000 in 1980 and $50,402,000 in 1979.

‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets
(000's)

As of Dec. 31	1980	1979 ‡
Cash & marketable secur.	$ 7,768	$ 20,174
Accts. receiv., net	342,010	347,156
* Inventories	408,318	439,823
Other assets	56,035	75,280
Current Assets	$ 814,131	$ 882,433
Investments & other assets	159,539	183,097
# Fixed assets	558,932	525,190
Intangibles	75,906	76,693
Total Assets	$ 1,608,508	$ 1,667,413

Liabilities
(000's)

Notes payable	$ 16,346	$ 35,967
Long-term debt, curr.	31,502	12,975
Accts. payable	189,252	182,198
Accruals	140,534	124,754
Curr. Liabilities	$ 377,634	$ 355,894
Long-term debt	376,021	474,120
Deferred credits	12,837	20,899
Deferred inc. taxes	38,955	45,697
+ Preferred stock	280	539
+ + Common stock	138,512	134,832
Add. paid-in capital	192,526	188,010
Retained earnings	471,904	447,583
Treasury stock	(161)	(161)
Total Liabilities & Shareholders' Equity	$ 1,608,508	$ 1,667,413

‡ Restated to include operations of companies acquied on a pooling of interests basis.

* At lower of cost or market. Substantially all domestic inventories at LIFO; remander at FIFO.

# Less accumulated depreciation.

+ $1 par value.

+ + $4 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.87	8.18
%Net Income to Sales	3.29	5.27
%Net Income to Equity	9.02	14.32
Sales to Inventories	5.39	4.76
Working Capital	$ 436,497,000	$ 526,539,000
Current Ratio	2.16	2.48
Shareholders' Equity	$ 803,061,000	$ 770,803,000

Granger Associates

3101 Scott Boulevard
Santa Clara, California 95051
(408) 727-3101

Officers: Q.T. Wiles, chairman of the board & chief executive officer; W. Dan Rasdal, executive v.p.-operations; Oscar Z. Hercs, exec. v.p.; Glann Satterthwaite, v.p.

Directors: Johan F. Blokker, William R. Hambrecht*, Allen M. Peterson, Donald L. Putt, Frank T. Weems, Q.T. Wiles*.

*Member of Executive Committee.

Areas of Work: Designs, manufactures and sells electronic communications equipment for applications in frequency ranges between high-frequency and microwave. Products include radio transmitters and receivers, multiplex equipment, antennas, multicouplers, transformers and a variety of special accessories.

Subsidiaries:

Granger Associates Limited
1 Brooklands Road
Weybridge, Surrey, England

Transfer Agent(s):

Crocker National Bank
P.O. Box 38005
San Francisco, California 94138

Stock Exchange(s): American & Pacific

Ticker Symbol: GRG

Number of Employees:

1980	382	1977	460
1979	439	1976	390
1978	462		

Plant Footage:

1980	200,000 sq. ft.	1977	135,800
1979	200,000	1976	135,000
1978	200,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 20,639,376	$ (4,350,680)
1979	20,251,130	(4,230,907)
1978	22,652,667	929,560
1977	17,391,083	1,070,609
1976	14,233,275	1,513,499 #

	No. of Com. Shares	Earn. per Share +
1980	891,435	$ —
1979	865,429	—
1978	850,636	1.07
1977	828,746	1.33
1976	731,438	1.97 #

(Loss)

# Including extraordinary gain of $469,000 ($0.61 per share) in 1976.

+ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$ (717,784)	$ —
1979	3,433,366	3.97
1978	7,515,703	8.84
1977	6,416,372	7.74
1976	5,085,936	6.95

(Deficiency)

‡ After allowing for preferred stock at stated value.

Income Account *

Year ended Aug. 31	1980	•1979
Net sales	$ 20,639,376	$ 2,251,130
Cost of sales	15,009,201	13,197,551
Expenses	8,897,528	8,764,091
Interest expense	1,083,327	1,160,403
Prov. for long-term contract	—	2,876,357
Loss before taxes	$ (4,350,680)	$ (5,747,272)
Tax credit	—	(1,516,365)
Net Loss	$ (4,350,680)	$ (4,230,907)

*Included in Costs and Expenses, Depreciation and Amortization: $554,850 in 1980 and $453,921 in 1979.

Assets

As of Aug. 31	1980	1979
Cash	$ 214,767	$ 216,677
Long-term debt, curr.	162,513	178,107
Accts. & notes receiv. net	5,118,066	7,278,525
*Inventories	10,306,332	8,989,401
Prepaid expenses	544,581	434,561
Current Assets	$ 16,346,259	$ 17,097,271
# Fixed assets	2,515,797	2,646,335
Other assets	235,227	74,344
Long-term notes receiv.	794,751	225,421
Total Assets	$ 19,892,034	$ 20,043,371

Liabilities

Notes payable	$ 3,300,000	$ 6,300,000
Long-term debt, curr.	393,476	404,324
Accts. payable	1,864,227	2,091,828
Contract advances	686,916	322,041
Other liabilities	2,357,294	2,112,442
Curr. Liabilities	$ 8,601,913	$ 11,230,635
Long-term debt	4,000,000	4,000,000
Cap. lease oblig.	1,155,455	1,261,758
Accrued severance pay	139,388	117,612
Deferred interest	40,337	—
Preferred stock	6,672,725	—
Common stock	3,575,475	3,375,945
Retained earnings (deficit)	(4,293,259)	57,421
Total Liabilities & Shareholders' Equity	$ 19,892,034	$ 20,043,371

*At lower of average cost or market.
# Less accumulated depreciation and amortization.

Statistical Summary

Sales to Inventories	2.00	2.25
Working Capital	$ 7,744,346	$ 5,866,636
Current Ratio	1.90	1.52
Shareholders' Equity	$ 5,954,941	$ 3,433,366

Groman Corporation

54530 County Road 17
Elkhart, Indiana 46516
(219) 295-2466

Officers: Paul G. Richards, president & chief exec. officer; D. Wayne Mackeben, v.p.-finance & secretary; Donald J. Ciancio, corp. controller & asst. secretary.

Directors: George B. Pletsch*, Paul G. Richards*, Horace N. Rowe, Gordon Paul Smith*, D. Wayne Mackeben.

*Member of the Executive Committee.

Divisions and Subsidiaries:

Porcelain Products Co.
225 North Patterson Street
Carey, Ohio 43316
(419) 396-7621

Manufactures wet and dry process electrical porcelain and transformer components, and markets pole line hardware.

Rowe Industries Division
6225 Benore Road
Toledo, Ohio 43612
(419) 729-9761

Manufactures high voltage connectors, corona free cable assemblies, and Hi-Tempwire.

Mid-American Electronics Corporation
11555 Packard Drive
Middlebury, Indiana 46540
(219) 825-9461

Manufactures wire harnesses, R.V. power supply cords, connector assemblies and flat conductors.

Electro-Cords Division
5949 Smithway Street
City of Commerce, California 90040
(213) 728-1700

Producer of cord sets, appliance cord, and wire harnesses.

Knox Porcelain Corporation
P.O. Box 4107
Knoxville, Tennessee 37921
(615) 523-8157

Manufactures wet and dry process electrical porcelain and transformer components.

Inca Plastics, Inc.
11555 Packard Drive
Middlebury, Indiana 46540
(219) 825-9461

Produces plastic tanks and custom molded plastic products by rotational casting and low molding techniques.

Transfer Agent(s):

American National Bank and Trust Company
of Chicago
33 North LaSalle Street
Chicago, Illinois 60690

Stock Exchange(s): Over-the-Counter

Ticker Symbol: GROM (NASDAQ)

Sales and Earnings

	Net Sales +	Net Income
1980	$ 22,663,000	$ 89,493
1979	24,231,000	(300,637)
1978	27,017,000	49,828
1977	24,927,000	(1,167,000)
1976	22,667,000	1,341,000

	No. of Com. Shares	Earn. per Share
1980	1,534,003	$0.06
1979	1,581,249	—
1978	1,650,829	0.03
1977	1,671,739	—
1976	1,650,864	0.81

(Loss)
+ Of continuing operations only.

Revenues By Line of Business

	1980	1979
Electrical porcelain prods.	$ 12,930,354	$ 12,130,360
Plastics	1,866,800	3,496,088
Electrical connectors	7,865,712	8,604,266
Total	$ 22,662,866	$ 24,230,714

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 6,350,727	$4.14
1979	6,316,000	3.99
1978	6,391,000	3.87
1977	6,393,000	3.82
1976	7,495,000	4.54

Income Account *

Year ended Nov. 30	1980	1979
Net sales	$ 22,662,866	$ 24,230,714
Cost of sales	17,324,736	18,862,500
Expenses	4,842,800	5,387,234
Gain on purchase of deben.	206,095	89,473
Interest expense	(577,325)	(627,974)
Loss (gain) on plant clos.	(147,939)	(106,635)
Settlement of litigation	—	(125,000)
Other income	77,997	56,150
Income (loss) before taxes	$ 350,036	$ (733,006)
Income taxes (credit)	187,000	(191,000)
Income (loss) from cont. oper.	$ 163,036	$ (542,006)
Income (loss) from discont. oper.	(73,543)	241,369
Net Income (Loss)	$ 89,493	$ (300,637)

* Included in Costs and Expenses, Depreciation and Amortization: $755,508 in 1980 and $868,653 in 1979.

Assets

As of Nov. 30	1980	1979
Cash	$ 235,310	$ 613,089
Proc. of sale of United Steel Serv.	1,500,000	—
Accts. receiv., net	3,379,711	4,602,585
Long-term receiv., curr.	119,807	—
* Inventories	4,064,455	5,681,306
Deferred income taxes	138,000	173,000
Prepaid expenses	181,460	215,995
Current Assets	$ 9,618,743	$ 11,285,975
# Fixed assets	5,629,462	7,215,959
Other assets	1,598,737	1,270,329
Total Assets	$ 16,846,942	$ 19,772,263

Liabilities

Notes payable	$ 1,500,000	$ 2,000,000
Long-term debt, curr.	419,265	741,406
Accts. payable	1,130,506	1,758,239
Accruals	485,969	592,999
Emp. compens. & commissions	524,881	645,328
Loss on dispos. of div.	247,423	257,427
Income taxes	223,607	223,048
Curr. Liabilities	$ 4,531,651	$ 6,218,447
Long-term debt	5,611,564	6,857,898
Deferred inc. taxes	353,000	380,000
+ Common stock	1,683,949	1,683,949
Add. paid-in capital	1,447,545	1,447,545
Retained earnings	3,555,667	3,466,174
Treasury stock	(336,434)	(281,750)
Total Liabilities & Shareholders' Equity	$ 16,846,942	$ 19,772,263

* At lower of cost (FIFO & LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Net Income to Equity	1.41	—
Sales to Inventories	5.58	4.26
Working Capital	$ 5,087,092	$ 5,067,528
Current Ratio	2.12	1.81
Shareholders' Equity	$ 6,350,727	$ 6,315,918

Grumman Corporation

1111 Stewart Avenue
Bethpage, New York 11714
(516) 575-0574

Officers: Joseph C. Bierwirth, chairman of the board; Joseph G. Gavin, Jr., president; John F. Carr, vice chairman of the board; Robert G. Freese, sr. v.p.-finance and treasurer; George L. Brown, v.p.-regional offices; Nat P. Busi, v.p. and controller; John J. Carroll, v.p.-community relations; Howard J. Dunn, Jr., v.p.-audit; Thomas L. Genovese, v.p. and general counsel; Weyman B. Jones, v.p.-public affairs; Rolf J. Larson, v.p.-corporate development; Gordon H. Ochenrider, v.p.; Robert W. Bradshaw, secretary; Edward B. Jacobs, William R. Parmentier, Jr., William Wachino, Jr., asst. treasurers; John E. Galligan, Lloyd L. Lee, asst. secretaries.

Directors: John C. Bierwirth, chairman, E. Clinton Towl, Charles E. Dunbar, Kenneth S. Axelson, Ellis L. Phillips, Jr., George M. Skurla, Archie E. Albright, C. Clyde Ferguson, Jr., Leroy R. Grumman, Joseph G. Gavin, Jr., John F. Carr, Robert G. Freese, James A. Linen, Lucy W. Benson, John T. Sargent.

Areas of Work: Manufactures military aircraft, spacecraft, boats and truck bodies, fire apparatus, buses, and solar and wind energy systems. Also provides services in the field of computer programming.

Subsidiaries:

Grumman Aerospace Corporation
South Oyster Bay Road
Bethpage, New York 11714

Grumman Allied Industries, Inc.
445 Broad Hollow Road
Melville, New York 11747
(516) 454-8400

Grumman Data Systems Corporation
1111 Stewart Avenue
Bethpage, New York 11714

Grumman International Company
1111 Stewart Avenue
Bethpage, New York 11714

Grumman Energy System, Inc.
10 Orville Drive
Bohemia, New York 11716
(516) 224-2700

Paumanock Development Corporation
1111 Stewart Avenue
Bethpage, New York 11714

Grumman Credit Corporation
1111 Stewart Avenue
Bethpage, New York 11714

The Flexible Company
Delaware, Ohio

Transfer Agent(s):

Manufacturers Hanover Trust Company
Four New York Plaza
New York, New York 10015

Stock Exchange(s): New York, Midwest, Pacific, Phila-Balt-Wash, Boston

Ticker Symbol: GQ

Number of Employees:

1980	28,000	1977	27,000
1979	28,000	1976	28,000
1978	26,000		

Plant Footage:

1980	10,200,000 sq.ft.	1977	9,735,000
1979	10,200,000	1976	9,267,676
1978	9,735,000		

Sales and Earnings

	Net Sales *	Net Income
1980	$1,759,299,000	$ 30,668,000
1979	1,492,918,000	19,571,272
1978	1,468,159,000	19,969,170
1977	1,409,714,000	32,396,577
1976	1,393,816,000	23,553,936

	No. of Com. Shares ‡	Earn. per Share #
1980	10,030,773	$2.35
1979	8,727,433	2.06
1978	8,475,782	2.43
1977	8,095,201	4.04
1976	7,805,246	3.04

* Including other income; of continuing operations only.
# Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.
‡ Adjusted to reflect stock dividend.

Revenues By Line of Business
(000's)

	1980	1979
Aircraft and space	$ 1,293,250	$ 1,166,516
Special vehicles	284,828	204,054
Energy	23,733	28,928
Services and other	230,596	154,456
Intersegment elim.	(73,108)	(61,036)
Total	$ 1,759,299	$ 1,492,918

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.25	—	—
1979	1.20	—	—
1978	1.15	—	—
1977	0.95	—	—
1976	0.70	10%	—

Common Stock Equity

	Total Equity ‡	Equity Per Share #
1980	$266,201,000	$26.54
1979	226,079,000	25.90
1978	213,397,619	25.18
1977	195,726,609	24.18
1976	166,210,560	21.29

‡ After allowing for non-redeemable preferred stock at stated value.
# Adjusted to reflect stock dividend.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$1,729,337,000	$1,476,009,578
Other income	29,962,000	16,908,811
Total income	$1,759,299,000	$1,492,918,389
Cost of sales	1,580,214,000	1,348,075,241
Expenses	125,417,000	111,171,876
Income before taxes	$ 53,668,000	$ 33,671,272
Income taxes	23,000,000	14,100,000
Net Income	$ 30,668,000	$ 19,571,272

* Included in Costs and Expenses, Depreciation and Amortization: $22,892,000 in 1980 and $22,579,725 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 10,937,000	$ 20,194,137
Cert. of deposit	44,690,000	23,765,850
Accts. receiv., net	226,661,000	187,685,668
Refundable taxes	—	50,000,000
* Inventories	421,970,000	315,599,395
Prepaid expenses	7,504,000	5,350,395
Current Asset	$711,762,000	$602,595,149
Contracts receiv.	24,052,000	22,556,304
Investment	7,500,000	20,500,000
# Fixed assets	136,226,000	129,136,942
Other assets & defer. charges	26,772,000	22,712,333
Total Assets	$906,312,000	$797,500,728

Liabilities

Long-term debt, curr.	$ 8,912,000	$ 16,310,888
Accts. payable	89,730,000	96,380,200
Accruals	33,887,000	42,594,842
Prog. payments & customer deposits	26,999,000	22,779,510
Income taxes	3,662,000	93,511,367
Other liabilities	46,503,000	31,462,862
Curr. Liabilities	$209,693,000	$303,039,669
Long-term debt	231,502,000	203,591,344
Other liab. & minority interests	130,044,000	9,923,882
Deferred invest. & tax credit	—	4,626,425
Preferred stock:		
× Redeemable	50,000,000	50,000,000
+ Non-redeemable	180,000	240,985
+ + Common stock	82,754,000	57,191,082
Retained earnings	183,594,000	170,723,988
Treasury stock	(147,000)	(1,836,647)
Total Liabilities & Shareholders' Equity	$906,312,000	$797,500,728

* At lower of cost or realizable value.
# Less accumulated depreciation and amortization.
× $1 par value; $2.80 cumulative.
+ $1 par value; $0.80 convertible.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.10	2.28
%Net Income to Sales	1.77	1.33
%Net Income to Equity	11.51	8.65
Sales to Inventories	4.10	4.68
Working Capital	$502,069,000	$299,555,480
Current Ratio	3.39	1.99
Shareholders' Equity	$266,381,000	$226,319,408

GTI Corporation

10060 Willow Creek Road
San Diego, California 92131
(714) 578-3111

Officers: James K. LaFleur, chairman of the board, president & chief exec. officer; John C. Brittain, v.p.-operations; Richard W. Cousins, v.p. & gen. mgr.; Stanley Burg, v.p.-marketing; Ronald Lust, v.p.-finance & secretary-treasurer; Richard C. Roessler, corp. controller.

Directors: Robert J. Kennedy, Edwin F. Scheetz, James K. LaFleur, Andre R. Horn, William S. Ivans, Alvin H. Wineman, Jr.

Areas of Work: Engaged in the manufacture of parts, components and processing equipment primarily for the electronic, automotive, computer, appliance and electrical markets. Principal products include glass-to-metal seals, rolled pins, precision cut, formed and welded metal and glass components, production process and component handling and feeding systems and both die stamped and etched flexible circuit boards.

Divisions:

Circuits Division
P.O. Box 217
Leesburg, Indiana 46538
(219) 453-3261

Manufactures die stamped printed circuits with its major markets being the automotive industry.

Electronics Division
R.D. 2, P.O. Box 96
Hadley, Pennsylvania 16130
(412) 253-3161

Produces a line of two and three piece welded leads and filaments, straight cutlead and rolled pins, intricate metal forms, headed and formed leads, semiconductor leads, wire welds, welded cap and assemblies and lamp leads.

Eagle Division
10060 Willow Creek Road
San Diego, California 92131
(714) 578-7885

Equipment Division
R.D. 2, P.O. Box 96
Hadley, Pennsylvania 16130
(412) 253-3161

Transfer Agent(s):

Mellon Bank, N.A.

Stock Exchange(s): American

Ticker Symbol: GTI

Number of Employees:

1980	435	1977	529
1979	479	1976	634
1978	498		

Sales and Earnings

	Net Sales +	Net Income ‡
1980	$ 17,413,000	$ 787,000
1979	16,869,000	1,500,393
1978	14,092,000	(601,748)
1977	13,871,000	34,911
1976	12,723,000	630,297

	No. of Com. Shares	Earn. per Share‡†
1980	2,154,337	$0.37
1979	2,132,837	0.70
1978	2,120,872	—
1977	2,120,872	0.01
1976	2,120,872	0.28

(Loss)
+ Of continuing operations only.
‡ Including extraordinary credits of $376,000 ($0.18 per share) in 1979 and $299,000 ($0.13 per share in 1976.
† Based on weighted average number of shares outstanding.

Revenues By Line of Business

	1980	1979
Metal, glass & electronic components	$ 11,566,000	$ 11,795,000
Circuit boards	3,993,000	3,856,000
Component processing equipment	1,854,000	1,218,000
Total	$ 17,413,000	$ 16,869,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.12	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 5,295,000	$2.46
1979	4,730,929	2.22
1978	3,224,455 +	1.52
1977	3,843,543 +	1.81
1976	3,825,972 +	1.80

+ After allowing for preferred stock at redemption value of $25 per share.

Income Account *

Year ended Dec. 31	1980	1979
Net revenues	$ 17,413,000	$ 16,869,000
Cost of revenues	12,568,000	12,049,000
Expenses	3,540,000	3,332,000
Other income	(90,000)	(267,000)
Interest expense	172,000	272,000
Income before taxes	$ 1,223,000	$ 1,483,000
Income taxes	506,000	591,000
Income from cont. oper	$ 717,000	$ 892,000
Gain from discont. oper	70,000	232,000
Net Income (Loss)	$ 787,000	$ 1,124,000
Extraord. gain	—	376,000
Net Income (Loss) & extraord. gain	$ 787,000	$ 1,500,000

* Included in Costs and Expenses, Depreciation and Amortization: $429,000 in 1980 and $414,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 1,010,000	$ 275,075
Receiv. net	2,876,000	2,882,956
*Inventories	2,350,000	2,054,986
Prepaid expenses	97,000	76,634
Current Assets	$ 6,333,000	$ 5,289,651
#Fixed assets	3,174,000	3,082,783
Total Assets	$ 9,507,000	$ 8,372,434

Liabilities

Long-term debt, curr.	$ 306,000	$ 297,508
Accts. payable	936,000	982,695
Accruals	725,000	971,133
Def. res & devel. serv.	610,000	—
Accrued inc. taxes	338,000	263,000
Curr. Liabilities	$ 2,915,000	$ 2,514,336
Long-term debt	1,259,000	1,102,169
Deferred credit	38,000	25,000
+Common stock	86,000	85,969
Add. paid-in capital	4,392,000	4,447,659
Retained earnings	817,000	287,067
Treasury stock	—	(89,766)
Total Liabilities & Shareholders' Equity	$ 9,507,000	$ 8,372,434

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.04 par value.

Statistical Summary

%Net Income to Equity	14.86	23.77
Sales to Inventories	7.41	8.21
Working Capital	$ 3,418,000	$ 2,775,315
Current Ratio	2.17	2.10
Shareholders' Equity	$ 5,295,000	$ 4,730,929

Gulf + Western Industries, Inc.

1 Gulf + Western Plaza
New York, New York 10023
(212) 333-7000

Officers: Charles G. Bluhdorn, chairman of the board; David N. Judelson, president; Martin S. Davis, Don F. Gaston, executive vice presidents; Guy H. Pitts, senior vice president-manufacturing; Norman R. Forson, senior vice president & treasurer; Robert L. Jones, senior vice president, secretary & resident counsel; James F. Pierce, senior vice president & controller; Neil J. Call, Gerald I. Ritthaler, William M. Flatley, Lawrence E. Levinson, sr. vice presidents; Milton B. Hollander, v.p.-technology; Thomas E. Harrision, Jr., v.p.-patent counsel; Henry F. Kelleher, v.p.-employee relations; Alvaro L. Carta, Frank V. Rogers, George A. Longtin, James I. Spiegel, v.p.'s-operations; Edger W. Levin, v.p. market planning; Victor L. Nutt, George Yarbenet, Rolando Gonzalez-Bunster, vice presidents.

Directors: Charles G. Bluhdorn*, David N. Judelson*, John H. Duncan*, Martin S. Davis*, Don F. Gaston*, Judd Leighton, Francis S. Levien, Dan W. Maddox, T.H. Neyland, Donald Oresman, Irwin Schloss, Samuel J. Silberman, George A. Smathers, Harold U. Zerbe*, Gerald E. Miller, Henry A. Walker, Jr., Peter G. Wray, Grace J. Fippinger.

*Member of Executive Committee.

Areas of Work: Gulf + Western's 7 operating groups are: Automotive Replacement Parts; Financial Services; Natural Resources and Building Products; Manufacturing; Leisure Time; Apparel and Home Furnishings; Consumer and Agricultural Products.

Operating Groups & Subsidiaries:

Maufacturing Group

The Manufacturing Group is engaged in the manufacturing of industrial piping components; automotive and appliance components; marine, military and commercial hardware; primary metals; production equipment; metalworking presses; air conditioning and refrigeration equipment and components; electronic connectors; cutting tools; electrical wire and cable; iron, steel, aluminum and brass castings; traffic and industrial control systems; special industrial trucks; coin-operated amusement games; reseach and development.

Gulf + Western Manufacturing Co.
Collyer Insulated Wire
Bohn Aluminum & Brass
E.W. Bliss
Bonney Forge
Buckeye Forge
Lenape Forge
Guaranteed Parts
Ottawa Truck
Michigan Plating & Stamping
Gulf + Western Stamping
Young Spring & Wire
Wilcox-Crittenden
Unicord
Friga Bohn
TF de Mexico
Producciones Automotrices, S.A.
Hartung, Kuhn & Co.
John M. Henderson & Co.
Elco Corp.
Eagle Signal
Morse Cutting Tools
Mal Tool & Engineering
Klock
Cepcoi
Sega Enterprises
Monroe
Detroit Body Products
Aros
H. Koch & Sons
Energy Development Associates
North & Judd
Glasgow Industries

Natural Resources and Building Products Group

Manufactures Portland and masonry cement, zinc oxide and metal powers, chemicals, rock, sand, gravel, factory-built reusable forms and accessories used in concrete construction.

Marquette Co.
Solar Fuel Co.
New Jersey Zinc Co.
Livingston-Graham
Symons Corporation
Richmond Screw Anchor Co.

Automotive Replacement Parts Group

Engaged in the distribution of automotive replacement parts in the United States; the manufacture and sale of automotive batteries in Europe and the distribution of automotive replacement parts and other products in Western Europe, Puerto Rico, Mexico, and Venezuela; and the distribution of marine parts, electrical and industrial products and the manufacture and distribution of motorcycle parts and accessories in the United States.

Big A
American Parts System
Hendrie & Bolthoff
Doyen
Vensu
Uranio A.P.D.
Newport Supply Co.
O J Marine Co.
Plavica
Overseas, S.A.
International Parts Service

Financial Services Group

Makes direct installment loans, financing sales of consumer and industrial products, wholesale financing, industrial and commercial financing and underwriting insurance.

Associates First Capital Corporation
Associates Corp. of North America
THE ASSOCIATES
Associates Commercial Corp.
Associates Financial Services Co.
Cumberland Life Insurance Co.
Emmco Insurance Co.
Excel Insurance Co.
Providence Capital International Insurance Ltd.
The Capitol Life Insurance Co., Ltd.
Providence Capitol Life Assurance Co., Ltd.
Providence Washington Insurance Co.
Providence Capital Realty Group, Inc.

Leisure Time Group

Engaged in the production, financing and distribution of motion pictures for exhibition in appropriate media and the production and distribution of television film series; also engaged in the publication of hard cover and paperback books, music publishing, distribution of educational films and manufacture and distribution of coin-operated amusement devices.

Paramount Pictures Corp.
Cinema International Corp.
Famous Music Corp.
Famous Players Ltd.
Simon & Schuster
Madison Square Garden Corp.
Madison Square Garden Communications Network
Hughes Television Network
Madison Square Garden Cablevision
Madison Square Garden Television
USA Network
Marketing Concepts, Inc.

Consumer and Agricultural Products Group
The Consumer and Agricultural Products Group is engaged in the manufacture and marketing of cigars and in the manufacture and distribution of a line of chocolates and candy. Also engaged in the production of raw sugar and some refined sugars, cane juice molasses and furfural, and in other operations, in the Dominican Republic and Florida.

Gulf + Western Americas Corp.
G + W Food Products Co.
Corporacion de Hoteles S.A.
Consolidated Cigar Co.
The Schrafft Candy Co.

Apparel and Home Furnishings Group
Engaged in the manufacture and marketing of a wide variety of apparel for men, women and children and specialty home furnishings mattresses, caskets, and sofabeds; the manufacture and marketing of wholesale and retail of shoes for men and women; and the manufacture and marketing to manufacturers and retail stores of specialty textile products.

Kayser-Roth Corporation
Simmons U.S.A.
Simmons Universal
Katzenbach & Warren
Raymor
Moreddi
York-Hoover
National Casket

Transfer Agent(s):

Manufacturers Hanover Trust Company
4 New York Plaza
New York, New York 10015

Fidelity Union Trust Company
765 Broad Street
Newark, New Jersey 07101

Montreal Trust Company
15 King Street West
Toronto, Ontario Canada M5H 1B4

Stock Exchange(s): New York, Toronto, London, Basel, Geneva, Zurich.

Ticker Symbol: GW

Number of Employees:

1980	113,000	1977	110,000
1979	113,000	1976	75,000
1978	116,000		

Plant Footage:

1980	30,100,000 sq.ft.	1977	33,679,000
1979	30,100,000	1976	32,672,000
1978	33,714,500		

Sales and Earnings

	Net Sales ‡ (000's)	Net Income (000's)
1980	$5,522,002	$255,284
1979	5,009,346	227,438
1978	4,058,832	180,516
1977	3,361,227	150,327
1976	3,106,466	190,111

	No. of Com. Shares †	Earn. per Share †
1980	56,046,000	$4.38
1979	58,829,000	3.69
1978	60,221,000	2.62
1977	60,269,000	2.32
1976	56,453,000	3.23

‡ Includes operating revenues.
† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits and stock dividend.

Revenues By Line of Business
(000's)

	1980	1979
Leisure time	$ 1,042,000	$ 958,000
Consumer and agricultural products	541,000	457,000
Manufacturing	1,292,000	1,296,000
Apparel & home furnishings	1,394,000	1,126,000
Automotive replacement parts	436,000	400,000
Natural resources & bldg. prods.	633,000	606,000
Total	$ 5,338,000	$ 4,843,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	0.638	—	5-for-4
1979	0.58	—	—
1978	0.536	—	—
1977	0.504	—	—
1976	0.366	10%	5-for-4

‡ Adjusted to reflect stock splits and stock dividend.

Common Stock Equity

	Total Equity# (000's)	Equity Per Share ‡
1980	$ 1,538,745	$27.21
1979	1,322,234	23.73
1978	1,188,039	19.76
1977	1,042,055	17.41
1976	935,124	15.69

# After allowing for preferred shares at a total liquidation value.
‡ Adjusted to reflect stock splits and stock dividend.

Income Account *
(000's)

Year ended July 31	1980	1979
Net sales & revenues	$ 5,338,483	$ 4,842,909
Other income	183,519	166,437
Total income	$ 5,522,002	$ 5,009,346
Cost of sales	3,925,322	3,623,109
Expenses	940,147	785,611
Depreciation & depletion	103,869	100,470
Interest expense	174,165	156,433
Minority interest	8,715	9,185
Income before taxes	$ 369,784	$ 334,538
Income taxes	114,500	107,100
Net Income	$ 255,284	$ 227,438

Assets
(000's)

As of July 31	1980	1979
Cash	$ 49,859	$ 116,792
Marketable securities	168,074	130,792
Accts. receiv., net	761,320	795,876
* Inventories	1,153,075	1,124,063
Prepaid expenses	495,554	363,569
Current Assets	$ 2,627,882	$ 2,531,092
# Fixed assets	1,528,127	1,584,222
Other assets	1,260,767	1,044,879
Total Assets	$ 5,416,776	$ 5,160,193

Liabilities
(000's)

Notes payable & long-term debt, curr.	$ 348,353	$ 318,088
Accts. payable & accruals	977,672	929,058
Income taxes	46,606	55,533
Curr. Liabilities	$ 1,372,631	$ 1,302,679
Long-term debt	1,531,844	1,595,030
Conv. subord. debt	269,318	277,892
Minority interest	218,875	221,528
Deferred liabilities	327,652	261,706
+ Redeem. pref. stock	30,361	31,886
+ + Convert.pref. stock	6,922	7,574
+ + + Common stock	56,555	55,730
Add. paid-in capital	336,817	342,270
Retained earnings	1,262,303	1,065,971
Net unrealized gain (loss)	3,498	(2,073)
Total Liabilities & Shareholders' Equity	$ 5,416,776	$ 5,160,193

* At lower of cost (FIFO or average) or net realizable value.
# Less accumulated depreciation and depletion.
+ $1.00 stated value.
+ + $2.50 stated value; cumulative.
+ + + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales & Revenues	6.93	6.91
%Net Income to Sales & Revenues	4.78	4.70
%Net Income to Equity	15.32	15.48
Working Capital	$1,225,251,000	$1,228,413,000
Current Ratio	1.91	1.94
Shareholders' Equity	$1,666,095,000	$1,469,472,000

Gulton Industries, Inc.

P.O. Box CN-63
101 College Road East
Princeton, New Jersey 08540
(609) 452-1811

Officers: Walter F. Gips, Jr., chairman & chief executive officer; E. Maclin Roby, president & chief operating officer; James Z. Gladstone, v.p.-finance; Malcolm P. McNair, Jr., v.p.-adm.; John D. Taysom, v.p.-intl.; Philip Garnick, Harry A. Linden, Robert D. Pabst, Michael J. Marino, vice presidents; Henry Hirschmann, treasurer; Robert L. Pelz, chairman of the exec. comm. & secretary; Mary M. Hodges, Richard P. Streicher, asst. secretaries.

Directors: Walter F. Gips, Jr.*, chairman, William G. Stott*, E. Maclin Roby, Lewis B. Cullman*, F. Warren Hellman, Robert L. Pelz*, Ian M. Ross, Clarke Simonds, Eugene A. Sekulow, John S. Chamberlin.

*Member of Executive Committee

Areas of Work: Operates in three principal industry segments: instrumentation, communications equipment, and power and lighting equipment. The instrumentation group manufactures electronic instruments and related transducers for measuring, monitoring and controlling, including analog and digital controls for pressure and temperature dependent industrial processes; analog and digital instrumentation for displaying or recording process trends and events; temperature, pressure, position and motion transducers. Communications products consist principally of digital data acquistion and telemetry systems; loudspeakers and speaker systems; microphones; military headsets and handsets; sound reinforcement systems; industrial remote control and carrier communications equipment; phonograph and tape recorder parts and accessories; piezoceramic transducers. The power and lighting group manufactures high-voltage transmission and distribution switchgear; medium power solid state inverters, converters, and power conditioning equipment; specialty lighting and ventilation products and destination sign systems for air and ground transporation vehicles.

Gulton Industries, Inc.

Divisions and Subsidiaries:

Engineered Magnetics Division
13041 Cerise Avenue
Hawthorne, California 90250
(213) 679-0111

S . C Division
1644 Whittier Avenue
Costa Mesa, California 92627
(717) 642-2400

Piezo Products Division
212 Durham Avenue
Metuchen, New Jersey 08840
(201) 548-2800

Data Systems Division
15000 Central Avenue, S.E.
Albuquerque, New Mexico 87123
(505) 299-7601

[illegible] Division
P.O. Box 33
2000 Bethel Drive
High Point, North Carolina
(919) 887-2611

Luminator Division
1200 E. Dallas North Parkway
Plano, Texas 75074
(214) 424-6511

Measurement & Control Systems Division
Gulton Industrial Park
East Greenwich, Rhode Island 02818
(401) 884-6800

Electro-Voice, Inc.
600 Cecil Street
Buchanan, Michigan 49107
(616) 695-6831

Southern States, Inc.
Hampton, Georgia 30228
(404) 946-4562

Gulton Industries (Canada) Ltd.
345 Herbert Street
Gananoque, Ontario, Canada K7G 2V1
(613) 382-2141

West Instruments de Mexico
Manuel Ma. Contreas No. 82
Mexico 4, D.F., Mexico
(903) 535-0740

Electro-Voice SA
Romerstrasse 49
2560 Nidau, Switzerland

Gulton Europe Limited
The Hyde, Lower Bevendean
Brighton BN 2 4JU, England

West Instruments de Mexico
Manuel Ma. Contreas No. 82
Mexico 4, D.F., Mexico
(903) 535-0740

Gulton International
c/o The Hyde, Lower Bevendean
Brighton BN2, 4JU, England

Gulton GmbH
Krifteler Strasse 32
Frankfurt (Main), West Germany

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: GUL

Number of Employees:

1981	3,550	1978	3,415
1980	3,667	1977	3,472
1979	3,842		

Sales and Earnings

	Net Sales +	Net Income ‡
1981†	$156,487,000	$ 1,658,000
1980	144,108,000	5,723,000
1979	126,670,000	4,231,000
1978	104,545,000	2,846,000
1977	97,278,000	1,970,000

	No. of Com. Shares	Earn. per Share # ‡
1981	2,800,818	$0.51
1980	2,747,954	1.95
1979	2,717,053	1.45
1978	2,690,463	0.96
1977	2,677,082	0.65

* 53 weeks.
+ Of continuing operations only.
‡ Including extraordinary gain of $123,000 ($0.05 per share) in 1977.
# Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity ‡	Equity Per Share
1981	$ 35,413,550	$12.64
1980	34,980,000	12.73
1979	30,621,000	11.27
1978	27,328,000	10.16
1977	25,232,000	9.43

‡ After allowing for preferred stock at liquidating value of $50 per share.

Income Account *
(000's)

Year ended	2/28/81 (53 weeks)	2/23/80
Net sales	156,487	144,108
Cost of sales	107,087	98,788
Expenses	34,959	32,807
Interest expense	2,085	2,030
Other expense (income)	275	(419)
Income before taxes	$ 12,081	$ 10,902
Income taxes	5,556	4,359
Income from cont. oper.	$ 6,525	$ 6,543
Loss from discont. oper.	(4,867)	(820)
Net Income	$ 1,658	$ 5,723

* Included in Costs and Expenses, Depreciation and Amortization: $2,281,000 in 1981 and $2,496,000 in 1980.

Assets
(000's)

As of	2/28/81	2/23/80
Cash	$ 3,373	$ 4,504
Accts. receiv., net	27,137	25,610
* Inventories	28,605	29,270
Other assets	1,742	1,760
Current Assets	$ 60,857	$ 61,144
Other assets & deferred charges	1,641	1,134
Assets of discont. oper.	1,820	2,900
# Fixed assets	15,464	14,850
Intangibles	3,091	3,219
Total Assets	$ 82,873	$ 83,247

Liabilities
(000's)

Long-term debt, curr.	$ 966	$ 932
Accts. payable & accruals	20,905	20,842
Income taxes	1,484	2,346
Curr. Liabilities	$ 23,355	$ 24,120
Long-term debt	17,394	17,390
Deferred credits	1,502	1,531
+ Preferred stock	1,172	1,176
+ + Common stock	2,801	2,748
Add. paid-in capital	10,678	10,090
Retained earnings	26,477	26,698
Treasury stock	(506)	(506)
Total Liabilities & Shareholders' Equity	$ 82,873	$ 83,247

* At lower of cost (FIFO, average & LIFO) or market.
# Less accumulated depreciation & amortization.
+ $10 par value; cumulative convertible.
+ + $1 par value.

Statistical Summary

%Net Income to Equity	4.08	14.23
Sales to Inventories	5.47	4.92
Working Capital	$ 37,502,000	$ 37,024,000
Current Ratio	2.61	2.53
Shareholders' Equity	$ 40,622,000	$ 40,206,000

Halliburton Company

2600 Southland Center
Dallas, Texas 75201
(214) 748-2610

Officers: John P. Harbin, chairman of the board, chief executive officer & president; E.L. Paramore, vice chairman & chief operating officer; William G.Nolen, v.p.-admn.; B.G. Taylor, exec. v.p.-oil field services; Jack W. Miller, v.p.-finance; Stephen T. DeLaMater, v.p.-gov't. relations; James G. Nuland, v.p.-investor relations; C. Robert Fielder, treasurer; Robert M. Kennedy, secretary, Kenneth V. Jenkins, controller.

Directors: Anne L. Armstrong, Alex E. Barron, George R. Brown, Thomas H. Cruikshank, Thomas J. Feehan*, James W. Glanville, Ford M. Graham, John P. Harbin*, Leonard Leon, Guy T. McBride, Jr., E.L. Paramore*, The Rt. Hon. Lord Polwarth, Edwin L. Cox, William E. Simon.

*Member of the Executive Committee.

Divisions and Subsidiaries:

Halliburton Services Division
P.O. Drawer 1431
Duncan, Oklahoma 73536
Oil field services and products.

Brown & Root, Inc.
P.O. Box 3
Houston, Texas 77001
Engineering and construction services.

Otis Engineering Corporation
P.O. Box 34380
Dallas, Texas 75234
Specialized equipment and services for the completion, production and control of oil and gas wells.

Freight Master Division
P.O. Box 40555
Fort Worth, Texas 76140
Hydraulic cushioning devices and maintenance services for the railroad industry.

Southwestern Pipe, Inc.
P.O. Box 2002
Houston, Texas 77001
Manufacturer of thinwall pipe and tubing for the petroleum and construction industries.

Taylor Diving & Salvage Co., Inc.
795 Engineers Road
Belle Chasse, Louisiana 70037

International undersea engineering, construction and salvage operations.

Welex Division
P.O. Box 42800
Houston, Texas 77042

Electric well logging and jet perforating services for the petroleum industry.

NUS Corporation
4 Research Place
Rockville, Maryland 20850

Engineerng and environmental consulting services for industry, utilities and government.

IMCO Services Division
P.O. Box 22605
Houston, Texas 77027

Supplier of oil well drilling fluids and related chemical products and services.

Halliburton Resource Management Division
P.O. Box 1411
Houston, Texas 75222

Renting equipment for compression, gas processing and production.

Jackson Marine Corporation
P.O. Box 1087
Aransas Pass, Texas 78336

Service vessels for the worldwide offshore petroleum and construction industries.

Jet Research Center, Inc.
P.O. Box 246
Arlington, Texas 76010

Explosive products and services for petroleum, marine and defense/aerospace industries.

Allied Industries, Inc.
P.O. Box 61248
Houston, Texas 77208

Specialist in plate and vessel fabrication, gravity blenders and air conveying systems.

Brown & Root Development, Inc.
P.O. Box 2002
Houston, Texas 77001

Provides engineering and project management through contracts with the U.S. gov't and with commercial firms utilizing gov't funds.

Joe D. Hughes, Inc.
P.O. Box 94469
Houston, Texas 96469

Transportation machinery and equipment for petroleum and construction industries.

Highlands Insurance Company
600 Jefferson Street
Houston, Texas 77002

Casualty, property, surety, and marine insurance.

Life Insurance Company of the Southwest
P.O. Box 47421
Dallas, Texas 75247

Life, health and accident insurance.

Wm. A. Smith Construction Co., Inc.
P.O. Box 15217
Houston, Texas 77020

Railroad construction and maintenance services.

Mid-Valley, Inc.
P.O. Box 2634
Houston, Texas 77001

Provide engineering, construction and project management services nationwide.

Vernon Graphics, Inc.
400 Executive Boulevard
Elmsford, New York 10523

Provides computerized mapping and record systems and services for utilities.

Transfer Agent(s):

Citibank, N.A.
111 Wall Street
New York, New York 10043

Crown Trust Company
302 Bay Street
Toronto, Ontario, Canada M5H2P4

Republic National Bank of Dallas
Pacific at Ervay
Dallas, Texas 75201

Stock Exchange(s): New York, London, Toronto, Zurich, Geneva, Basel, Lausanne.

Ticker Symbol: HAL

Number of Employees:

1980	114,968	1977	87,853
1979	112,146	1976	83,891
1978	110,389		

Sales and Earnings

	Net Revenues (000's)	Net Income (000's)
1980	$8,327,305	$500,298
1979	7,765,807	377,399
1978	6,641,628	397,038
1977	5,424,214	355,106
1976	4,866,400	305,480

	No. of Com. Share ‡	Earn. per Share ‡
1980	117,698,000	$4.25
1979	117,615,000	3.21
1978	117,486,000	3.38
1977	117,269,000	3.03
1976	117,143,000	2.61

‡ Based on average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1980 (000's)	1979 (000's)
Oil field services products	$ 2,955,206	$ 2,046,135
Industrial engineering/ construction services	3,822,682	4,414,495
Marine engineering/ construction services	1,306,422	1,098,705
Specialty services & products	242,995	206,472
Total	$ 8,327,305	$ 7,765,807

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$1.05	—	2-for-1
1979	0.92	—	—
1978	0.75	—	—
1977	0.55	—	—
1976	0.40	—	—

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity (000's)	Equity Per Share ‡
1980	$ 2,635,093	$22.39
1979	2,250,782	19.14
1978	1,975,828	16.82
1977	1,661,283	14.16
1976	1,365,613	11.66

‡ Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net revenues	$ 8,327,305	$ 7,765,807
Cost of sales	7,284,271	7,019,600
Expenses	195,885	153,204
Interest expense	79,988	38,601
Interest income	(45,858)	(52,020)
Other (income)	(2,579)	(3,232)
Income before taxes	$ 815,598	$ 609,654
Income taxes	347,624	256,543
Income to unconsl. cos.	(32,976)	(24,928)
Minority interest	652	640
Net Income	$ 500,298	$ 377,399

*Included in Costs and Expenses, Depreciation: $267,218,000 in 1980 and $231,794,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 134,023	$ 225,919
Accts. & notes receiv., net	1,587,558	1,223,890
Uncompleted contracts	115,358	88,975
*Inventories	653,470	528,540
Current Assets	$ 2,490,409	$ 2,067,324
Equity in & adv. to related cos.	222,537	181,181
Advances & receiv. from joint ventures	98,448	37,563
# Fixed assets	1,821,897	1,564,270
Other assets	90,462	72,185
Total Assets	$ 4,723,753	$ 3,922,523

Liabilities
(000's)

	1980	1979
Notes payable & long-term debt, curr.	$ 189,570	$ 206,611
Accts. payable	364,542	298,310
Advance billings	108,549	107,557
Income taxes	342,419	278,114
Employee benefit fund	65,183	44,153
Other liab.	279,738	228,373
Curr. Liabilities	$ 1,350,001	$ 1,163,118
Long-term debt	583,723	290,512
Minority interest	5,571	7,855
Deferred inc. taxes	149,365	210,256
+ Common stock	294,631	147,214
Add. paid-in capital	77,234	216,716
Retained earnings	2,266,660	1,889,911
Treasury stock	(3,432)	(3,059)
Total Liabilities & Shareholders' Equity	$ 4,723,753	$ 3,922,523

*At cost which is not in excess of market.
# Less accumulated depreciation.
+ $2.50 par value.

Statistical Summary

%Income bef. Taxes to Revenues	9.79	7.85
%Net Income to Revenues	6.01	4.86
%Net Income to Equity	18.99	16.77
Working Capital	$1,140,408,000	$904,206,000
Current Ratio	1.84	1.78
Shareholders's Equity	$2,635,093,000	$2,250,782,000

Hamilton Digital Controls, Inc.

2118 Beechgrove Place
Utica, New York
(315) 797-2370

Officers: Munson H. Pardee, president; Edward Zacaroli, exec. v.p. & chairman of the board; Joseph J. Basile, vice pres. of manufacturing; Ralph M. Risley, treasurer and chief financial officer; David Malkin, secretary.

Hamilton Digital Controls, Inc.

Directors: Munson H. Pardee, Edward Zacaroli, Eugene J. Hickey, Harold Julian, Charles Gaetano, David Malkin.

Areas of Work: Engaged in the design and manufacture of magnetic recording heads for use by original equipment manufacturers of computer systems and peripheral equipment.

Transfer Agent(s):

Marine Midland Bank-New York
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: HDIG (NASDAQ)

Number of Employees:

1980	618	1977	214
1979	458	1976	217
1978	264		

Plant Footage:

1980	57,000 sq. ft.	1977	24,500
1979	48,500	1976	24,500
1978	39,500		

Sales and Earnings

	Net Sales	Net Income
1980	$ 8,523,987	$ 361,805
1979	6,048,031	452,590
1978	4,984,135	478,163
1977	3,661,057	511,294
1976	2,084,721	45,187

	No. of Com. Shares #	Earn. per Share #
1980	1,282,321	$0.28
1979	1,247,162	0.36
1978	1,239,471	0.39
1977	1,229,154	0.42
1976	1,229,154	0.04

# Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	5%	—
1979	—	5%	—
1978	—	5%	—
1977	—	—	—
1976	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share†
1980	$ 2,936,512	$2.29
1979	2,555,320	2.05
1978	2,034,994	1.64
1977	1,554,414	1.26
1976	1,043,120	0.85

† Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *

Year ended April 30	1980	1979
Net sales	$ 8,523,987	$ 6,048,031
Cost of sales	6,821,318	4,494,445
Expenses	961,142	749,833
Interest expense	144,776	117,948
Income before taxes	$ 596,751	$ 685,805
Income taxes	234,946	233,215
Net Income	$ 361,805	$ 452,590

*Included in Costs and Expenses, Depreciation and Amortization: $207,046 in 1980 and $170,482 in 1979.

Assets

As of April 30	1980	1979
Cash	$ 166,440	$ 169,625
Market investments	316,547	1,738
Receiv., net	1,290,471	971,661
*Inventories	2,190,042	1,410,604
Other assets	84,978	30,458
Prepaid inc. taxes	3,480	—
Current Assets	$ 4,051,958	$ 2,584,086
# Fixed assets	2,614,148	1,986,372
Defer. charges	61,441	23,879
Life insurance	11,538	7,000
Intangibles	6,076	6,820
Total Assets	$ 6,745,161	$ 4,608,157

Liabilities

Notes payable	$ 350,000	$ —
Long-term debt, curr.	239,636	171,750
Accts. payable & accruals	1,183,124	568,130
Income taxes	—	26,726
Curr. Liabilities	$ 1,772,760	$ 766,606
Long-term debt	1,984,031	1,241,500
Deferred inc. taxes	51,858	44,731
+ Common stock	31,899	30,097
Add. paid-in capital	1,796,874	1,424,898
Retained earnings	1,107,739	1,100,325
Total Liabilities & Shareholders' Equity	$ 6,745,161	$ 4,608,157

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.02½ par value.

Statistical Summary

%Income bef. Taxes to Sales	7.00	11.34
%Net Income to Sales	4.24	7.48
%Net Income to Equity	12.32	17.71
Sales to Inventories	3.89	4.29
Working Capital	$ 2,279,198	$ 1,817,480
Current Ratio	2.29	3.37
Shareholders' Equity	$ 2,936,512	$ 2,555,320

Harrel, Incorporated

16 Fitch Street
East Norwalk, Connecticut 06855
(203) 866-2573

Officers: Holton E. Harris, president; Trygve O. Alger, vice president-engineering; J. Turner Jones, secretary.

Directors: J. Turner Jones, Will B. Rodemann, Holton E. Harris.

Areas of Work: Manufactures precision electronic controls and instrumentation; computer control systems, primarily for industrial uses such as plastics machinery, packaging machines, test equipment, and environmental chambers.

Transfer Agent(s):

Union Trust Company
300 Main Street
Stamford, Connecticut 06904

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income
1979	$ 2,391,025	$ 182,376
1978	1,560,092	87,365
1977	1,120,802	25,681
1976	951,362	36,118
1975	905,163	27,009

	No. of Com. Shares	Earn. per Share +
1979	337,004	$0.54
1978	337,004	0.26
1977	337,004	0.08
1976	337,004	0.11
1975	337,004	0.08

+ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 1,074,980	$3.19
1978	916,194	2.72
1977	852,419	2.53
1976	826,738	2.45
1975	790,620	2.35

Income Account *

Year ended Dec. 31	1979	1978
Net sales	$ 2,391,025	$ 1,560,092
Cost of sales	1,536,258	1,020,430
Expenses	534,442	405,025
Other income	(15,500)	(21,006)
Income before taxes	$ 335,825	$ 155,643
Income taxes	153,449	68,278
Net Income	$ 182,376	$ 87,365

* Included in Costs and Expenses, Depreciation and Amortization: $14,513 in 1979 and $10,311 in 1978.

Assets

As of Dec. 31	1979	1978
Cash & cash equiv.	$ 285,951	$ 468,954
Accts. receiv., net	493,992	268,683
* Inventories	628,272	462,888
Prepaid expenses	18,669	19,354
Current Assets	$ 1,426,884	$ 1,219,879
# Fixed assets	62,934	44,203
Total Assets	$ 1,489,818	$ 1,264,082

Liabilities

Accts. payable	$ 61,449	$ 86,159
Accruals	105,423	55,882
Accrued inc. taxes	90,514	64,698
Customer deposits	127,383	112,005
Dividend payable	23,590	23,590
Curr. Liabilities	$ 408,359	$ 342,334
Deferred inc. taxes	6,479	5,554
+ Common stock	168,502	168,502
Add. paid-in capital	437,297	437,297
Retained earnings	469,181	310,395
Total Liabilities & Shareholders' Equity	$ 1,489,818	$ 1,264,082

* At lower of cost (FIFO) or market.
# Less accumulated depreciation & amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	14.05	9.98
%Net Income to Sales	7.63	5.60
%Net Income to Equity	16.97	9.54
Sales to Inventories	3.81	3.37
Working Capital	$ 1,018,525	$ 877,545
Current Ratio	3.49	3.56
Shareholders' Equity	$ 1,074,980	$ 916,194

Harris Corporation

1025 W. NASA Boulevard
Melbourne, Florida 32919
(305) 727-9100

Officers: Joseph A. Boyd, chairman & chief exec. officer; John T. Hartley, Jr., president & principal operating officer; Charles M. Baker, Jr., Jack C. Davis, John N. Lemasters, Frank J. Lewis, Michael F. Maguire, John B. Arnold, v.p.'s & group executives; Paul S. Brentlinger, v.p.-finance; Lloyd G. Butler, v.p.-marketing; Joseph R. Creighton, v.p., general counsel; Robert G. Dyke, v.p.-special programs; William R. LeMasters, v.p. & controller; Joseph E. Rowe, v.p.-technology; Robert E. Sullivan, v.p. & treasurer; Herbert N. McCauley, v.p.-management information services; John J. Myers, v.p.-corporate development; Roy R. Solaski, v.p.-human resources; Stephen Baur, v.p.-corp. relations; William J. Stolze, v.p. & asst. to the chmn.; O.W. Hudson, secretary.

Directors: Joseph A. Boyd, chairman of the board; Ralph D. DeNunzio, C. Jackson Grayson, Jr., J.T. Hartley, Jr., Oliver G. Haywood, David C. Scott, H. James Sheedy, Richard B. Tullis, James W. Wilcock, William Farinon.

Areas of Work: Designs, manufactures, installs and maintains equipment and systems for the communications and information processing industry. Products include satellite communications systems, radio and TV transmitters, two-way radios, data terminals and controllers; microwave transmission systems, digital PBX systems, medium-scale computers, utility control systems, integrated circuits, automated testing equipment, newspaper editing and composing systems, printing presses and binding equipment.

Divisions and Subsidiaries:

Broadcast Products Division
3200 Wisman Lane
Quincy, Illinois 62301
(217) 222-8200

Radio and TV transmitters, studio equipment, automation systems and antennas, color TV cameras.

Composition Systems Division
505 John Rodes Boulevard
Melbourne, Florida 32901
(305) 259-2900

Electronic systems and terminals for news editing and advertising preparation,computerized phototypesetters, hot-metal linecasters, photo discs and type matrices.

Computer Systems Division
2101 Cypress Creek Road
Fort Lauderdale, Florida 33309
(305) 974-1700

Medium scale digital computers and memory systems.

Controls Division
2140 Troutman Boulevard
Melbourne, Florida 32901
(305) 727-5600

Utility, pipeline, railroad and industrial control systems; data acquisition and processing equipment.

Data Communications Division
16001 Dallas Parkway
Dallas, Texas 75240
(214) 386-2000

Computer terminals for remote processing of data, communications controllers, computer software packages.

Government Communications Systems Division
P.O. Box 37
Melbourne, Florida 32901
(305) 727-4000

Government Electronic Systems Division
P.O. Box 37
Melbourne, Florida 32901
(305) 727-4000

Equipment and systems for advanced surface and space communications programs for data acquisition, and for the processing, display and storage of information.

Government Products Division
Greenlawn, New York 11740
(516) 261-7000

PRD Electronics Division
6801 Jericho Turnpike
Syosset, New York 11791
(516) 364-0400

Computerized automatic test systems for avionics and other electronic equipment, computer services, electronic measurement instruments.

R F Communications Division
1680 University Avenue
Rochester, New York 14610
(716) 244-5830

Long range and short range two-way radio equipment and systems, mobile and fixed-base, for commercial, industrial, government and military applications.

International Programs Division
P.O. Box 1990
Melbourne, Florida 32901
(305) 725-3000

Satellite Communications Division
1301 Woody Burke Road
Melbourne, Florida 32901
(305) 724-3000

Earth stations, antennas and complete turnkey satellite communications systems for the overseas market and for commercial users in the U.S. market.

Transmission Systems Division
1691 Bayport Avenue
San Carlos, California 94070
(415) 592-4120

Farinon Electric: Microwave radios and multiplexers for voice, video and data communications systems. Farinon Video: microwave studio transmitter links and electronic newsgathering links for broadcast and cable TV systems.

Digital Telephone Systems Division
One Commerce Boulevard
Novato, California 94947
(415) 472-2500

Digital telephone and PBX systems for business and industrial firms and telephone companies.

Dracon Division
9541 Mason Avenue
Chatsworth, California 91311
(213) 882-8595

Power Supplies, equipment racks, and other auxiliary telephone equipment; voicepaging systems; telephone lineman's test instruments and tools.

Semiconductor Division
P.O. Box 883
Melbourne, Florida 32901
(305) 724-7000

Semiconductor Programs Division
P.O. Box 883
Melbourne, Florida 32901
(305) 724-7000

Serves the specialized needs of large government and industrial customers for development, production and testing of custom-made integrated circuits.

Bindery Systems Division
P.O. Box 518
Champlain, New York 12919
(518) 298-8221

Binding, gathering, collating, trimming, stitching and inserting machines, newspaper mailroom equipment.

Business Forms Systems Division
4900 Webster Street
Dayton, Ohio 45414
(513) 278-2651

Business forms printing presses and commercial printing presses, forms collating machines, carbon-coating machines.

Commercial Press Division
920 Avenue R
Grand Prairie, Texas 75050
(214) 647-0210

Manufactures medium-width and narrow-width web offset presses for commercial printers and lithographers.

Web Press Division-U.S.A.
Mechanic Street
Box 515
Westerly, Rhode Island 02891
(203) 599-1500

High-speed multicolor presses for newspaper, magazine, book and commercial printing.

Web Press Division-Europe
Boite Postale 22
2, Avenue Ambroise Croizat
60160 Montataire, France

High-speed multicolor presses for newspaper, magazine, book and commercial printing.

Acquisition(s):

Consolidated Video Systems, Inc.
Sunnyvale, California

Farinon Corp. (Feb. 1980)
San Mateo, California

Transfer Agent(s):

The Chase Manhattan Bank
New York, New York

The Ameritrust Company
Cleveland, Ohio

Stock Exchange(s): New York, Midwest

Ticker Symbol: HRS

Number of Employees:

1980	24,000	1977	16,400
1979	21,400	1976	12,600
1978	18,700		

Plant Footage:

1980	5,000,000 sq. ft.	1977	4,731,000
1979	4,731,000	1976	4,000,000
1978	4,731,000		

Sales and Earnings ‡

	Revenues +	Net Income
1980	$1,300,932,000	$ 79,682,000
1979	1,074,881,000	68,772,000
1978	947,629,000	56,804,000
1977	706,499,000	44,218,000
1976	553,117,000	28,797,000

	No. of Com. Shares #	Earn. per Share #
1980	30,288,000	$2.63
1979	29,643,000	2.32
1978	28,435,000	2.00
1977	2,024,000	1.58
1976	27,433,000	1.05

‡ Restated to include operations of companies acquired on a pooling of interests basis.

+ Includes sales, rental and services.

# Based on the average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1980	1979
Information syst.	$215,500,000	$182,000,000
Farinon	113,400,000	92,800,000
Communications	188,000,000	191,200,000
Semiconductor	148,000,000	95,200,000
Gov't. syst.	263,300,000	217,700,000
Printing equip.	372,700,000	296,000,000
Total	$1,300,900,000	$1,074,900,000

Common Stock

	Cash Dividend ‡‡	Stock Dividend	Stock Split
1980	$0.72	—	—
1979	0.60	—	2-for-1
1978	0.50	—	—
1977	0.3875	—	2-for-1
1976	0.325	—	—

‡‡ Adjusted to reflect stock splits.

Common Stock Equity †

	Total Equity	Equity Per Share‡
1980	$453,023,000	$14.89
1979	387,953,000	12.88
1978	311,521,000	10.78
1977	258,325,000	9.16
1976	218,797,000	7.97

† Restated to include operations of companies acquired on a pooling of interests basis.

‡ Adjusted to reflect stock splits.

Income Account *

Year ended June 30	1980	1979 ‡
Revenues	$1,300,931,794	$1,074,881,408
Other income	6,715,008	11,361,587
Total Revenues	$1,307,646,802	$1,086,242,995
Cost of revenues	868,194,324	706,553,699
Expenses	296,914,573	247,272,052
Other Expense (income)	(1,895,240)	2,032,301
Interest expense	11,602,762	10,274,496
Income before taxes	$132,830,383	$120,110,447
Income taxes	53,147,951	51,338,601
Net Income	$ 79,682,432	$ 68,771,846

*Included in Costs and Expenses, Depreciation: $51,026,719 in 1980 and $39,398,052 in 1979.

‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets

As of June 30	1980	1979 ‡
Cash	$ 27,996,211	$ 11,870,472
Short-term securities	79,675,252	89,393,666
Accts. & notes receiv., net	252,845,217	222,053,966
Unbilled costs	92,364,356	64,378,682
*Inventories	303,220,488	237,795,300
Current Assets	$756,101,524	$625,492,086
Rental equip.	56,429,300	42,637,246
# Fixed assets	275,065,746	193,291,111
Other assets	52,187,866	35,280,344
Total Assets	$1,139,784,436	$896,700,787

Liabilities

Short-term debt	$ 7,831,732	$ 13,247,108
Long-term debt, curr.	304,828	1,514,932
Accts. payable	90,300,054	72,492,457
Compensation & accruals	128,052,837	100,102,648
Advance payments	101,462,289	106,019,827
Income taxes	46,008,713	36,665,647
Curr. Liabilities	$373,960,453	$330,042,619
Long-term debt:		
4⅜% Deben.	13,450,000	14,714,000
6% Deben.	12,834,000	14,379,000
7¾% Deben.	50,000,000	50,000,000
11½% Deben.	125,000,000	—
5% Conv. subord. deben.	2,127,000	3,314,000
Other debt	12,443,188	19,729,095
Deferred inc. taxes	96,947,000	76,569,000
+ Common stock	31,027,865	30,728,608
Add. paid-in capital	58,176,229	53,299,372
Retained earnings	368,047,686	308,415,676
Treasury stock	(4,228,985)	(4,490,583)
Total Liabilities & Shareholders' Equity	$1,139,784,436	$896,700,787

‡ Restated to include operations of companies acquired on a pooling of interests basis.

* At lower of cost (average, FIFO and LIFO) or market.

# Less accumulated depreciation.

+ $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	10.21	11.06
%Net Income to Revenues	6.13	6.33
%Net Income to Equity	17.59	17.73
Working Capital	$382,141,071	$295,449,467
Current Ratio	2.02	1.90
Shareholders' Equity	$453,022,795	$387,953,073

The Harvey Group

60 Crossways Park West
Woodbury, New York 11797
(516) 921-8700

Officers: Harvey E. Sampson, chairman of the board & president; Edward J. Maher, vice chairman; Alfred Stoddart, exec. v.p.; E.M. Hedrick, sr.v.p.; Morton Denson, John Hamber, John W. Taylor,v.p.'s; Dennis R. Wilson, secretary

Directors: Michael E. Gellert, Harvey E. Sampson, C. Vergil Martin, Richard M. Ramin, Edward J. Maher, William F. Kenny III, Alfred Stoddart, John M. Fox, Samuel N. Irwin.

Areas of Work: Engaged in the retail sale of audio and high-fidelity equipment, home entertainment systems, video electronic equipment, television sets, professional and home recording equipment, phonograph records, tapes, and similar products; operates stores in New York City, Westchester and Long Island, New York; distributes industrial electronic components. Distributes electronic and electromechanical systems such as test equipment, recording consoles, instrument panels and electrical and electronic control equipment to specifications provided by its customers. Also, operates a food brokerage division.

Divisions and Subsidiaries:

Industrial Distribution

Harvey Electronics
Woodbury, New York

Harvey Electronics, Inc.
Norwalk, Connecticut

Harvey Electronics of Binghamton, Inc.
Binghamton, New York

Harvey Electronics
Lexington, Massachusetts

Harvey Electronics, Inc.
Pine Brook, New Jersey

Harvey Electronics
Rochester, New York

Food Brokerage Division

H.C. Boerner Co.
Great Neck, New York

Retail Division

Harvey Sound, Inc.
New York, New York

Acquisition(s):

Components Plus, Inc.
Hauppauge, New York
Distributes electronic products.

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: HRA

Sales and Earnings

	Revenues +	Net Income
1981	$ 80,213,549	$ 1,209,523
1980	66,216,744	1,877,551
1979*	49,570,540	1,359,503
1978	39,982,123	845,505
1977	31,407,625	211,406

	No. of Com. Shares	Earn. per Share ‡ #
1981	2,205,800	$0.53
1080	2,122,512	0.85
1979	2,066,762	0.62
1978	2,041,012	0.41
1977	2,051,137	0.08

* 53 weeks.

‡ Including extraordinary gains of $544,082 ($0.25 per share) in 1979, $398,850 ($0.20 per share) in 1978, and $88,000 ($0.04 per share) in 1977.

# Based on weighted average number of common shares and common share equivalents outstanding.

+ Of continuing operations only.

Revenues By Line of Business

	1981	1980
Industrial distribution	$ 60,954,932	$ 48,781,512
Food brokerage	8,697,200	8,076,600
Other	10,561,417	9,358,632
Total	$ 80,213,549	$ 66,216,744

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 13,048,787	$5.92
1980	11,659,169	5.49
1979	9,725,868	4.71
1978	8,342,083	4.09
1977	7,511,920	3.66

Income Account *

Year ended	1/31/81	2/2/80
Net sales	$ 71,516,349	$ 58,140,144
Other income	8,697,200	8,076,600
Total income	$ 80,213,549	$ 66,216,744
Cost of Sales	53,277,707	43,681,871
Expenses	22,605,531	18,143,354
Interest expense	2,565,788	1,475,968
Income before taxes	$ 1,764,523	$ 2,915,551
Income taxes	555,000	1,223,000
Income from cont. oper.	$ 1,209,523	$ 1,692,551
Income from discont. operations	—	185,000
Net Income	$ 1,209,523	$ 1,877,551

* Included in Costs and Expenses, Depreciation and Amortization: $280,276 in 1981 and $165,689 in 1980.

Assets

As of	1/31/81	2/2/80
Cash	$ 818,280	$ 248,216
Receiv. net	10,057,750	11,065,808
Refundable income taxes	337,000	—
* Inventories	15,730,792	14,661,688
Prepaid expenses & other assets	245,468	251,269
Current Assets	$ 27,189,290	$ 26,226,981
# Fixed assets	3,611,748	1,599,365
Other assets	5,536,067	5,548,734
Total Assets	$ 36,337,105	$ 33,375,080

Liabilities

Long-term debt. curr.	$ 225,531	$ 110,570
Accts. payable	4,569,171	4,557,861
Accruals	2,371,097	2,568,723
Income taxes	153,157	1,159,817
Curr. Liabilities	$ 7,318,956	$ 8,396,971
Long-term debt	14,300,988	12,003,081
Cap. lease oblig.	1,480,484	1,121,881
Deferred income	84,890	90,978
Def. income taxes	103,000	103,000
+ Common stock	2,205,800	2,122,512
Add. paid-in capital	4,511,656	4,414,849
Retained earnings	6,331,331	5,121,808
Total Liabilities & Shareholders' Equity	$ 36,337,105	$ 33,375,080

* At lower of cost (FIFO) or market.

# Less accumulated depreciation & amortization.

+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.47	—
%Net Income to Sales	1.69	—
%Net Income to Equity	9.27	16.10
Sales to Inventories	4.55	3.97
Working Capital	$ 19,870,334	$ 17,830,010
Current Ratio	3.71	3.12
Shareholders' Equity	$ 13,048,787	$ 11,659,169

Harvey Hubbell, Incorporated

584 Derby Milford Road
Orange, Connecticut 06477
(203) 789-1100

Officers: Robert W. Dixon, president & chief executive officer; Fred R. Dusto, president & chief operating officer; G.J. Ratcliffe,Jr., sr. v.p.-finance & law & secretary; Gerald E. Martin, Richard H. Montague, Richard M. Silven, group vice presidents; William R. Cress, v.p.-pres., The Ohio Brass Company; Roger M. Search, v.p.-industrial relations; William H. Gatenby, v.p.-government & associations; Harry B. Rowell, Jr., v.p.-corporate planning & development; Robert A. McRoberts, treasurer; Walter R. Hajna, controller; William A. Finnell, Alan P. Goldbecker, asst. treasurers; Richard W. Davies, asst. secretary.

Directors: Alfred T. Joldersma*, Robert N. Flint, G.J. Ratcliffe, Jr., Charles A. McKee, Joseph A. Dallas, Robert W. Dixon*, Fred R. Dusto, Thomas O. Boucher*, Andrew McNally IV, Robert M. Gordon, William R. Cress.

*Member of Executive Committee.

Divisions:

Wiring Device Division
State Street & Bostwick Avenue
Bridgeport, Connecticut 06602
(203) 333-1181
Aiken, South Carolina 29801

Electrical wiring devices,ground fault circuit interruptors, medical power centers, floor boxes; marine and corrosion resistant products; hospital and medical special purpose products.

Plastics Division
Prospect Drive
Newton, Connecticut 06470
(203) 426-2555
5500 Washington Avenue
Ashtabula, Ohio 44044

Custom-molded plastic parts for electrical/electronics, appliance, hardware, recreation, packaging and automotive markets.

Kellems Division
Route One, Lord's Hill
Stonington, Connecticut 06378
(203) 535-1250

Mechanical holding devices for cable, rope, hose, and flexible conduit for utility, contractor, and industrial markets.

Lighting Division
Christiansburg, Virginia 24073
Anaheim, California
Moultrie, Georgia

Outdoor and indoor area lighting, landscape and hazardous-location lighting for commercial buildings, stadiums, gymnasiums, industrial plants, and residential use; underwater and reflecting pool lighting.

Industrial Controls Division
30 Edwards Street
Madison, Ohio 44057
(216) 428-1161

Heavy-duty electrical and electronic control equipment for industrial markets.

Pulse Communications Division
5714 Columbia Pike
Falls Church, Virginia 22041
(703) 820-0652

Manufactures electronic products related to the transmission and control of data, teleprinter, voice and television signals.

Ensign Electric Division
914 Adams Avenue
Huntington, West Virginia 25712
(304) 529-3311

Electrical control, transmission, and distribution equipment for hazardous environments, principally coal mining.

Hermetic Refrigeration Division
Phoenix, Arizona

Manufacture of refrigeration and air conditioning compressors.

Subsidiaries:

The Kerite Company
49 Day Street
Seymour, Connecticut 06483
(203) 888-2591

Proprietary insulated wire and cable for railroads, electric utilities, and industrial markets.

The Ohio Brass Company
Mansfield, Barberton & Wadsworth, Ohio
Newell, & Oak Hill, West Virginia
Niagara Falls, Ontario & Baie d'Urfe, Quebec, Canada

Harvey Hubbell Canada, Inc.
870 Brock Road South
Pickering, Ontario, Canada
(416) 839-1139

Manufactures products of Wiring Device, Ensign Electric, Industrial Controls, Kellems, Lighting and Watford Electric Divisions.

Harvey Hubbell Ltd.
123-A Gloucester Road
London, SW 7,4 TE, England

Industrial and domestic plugs and socket adaptors. Terminals and cable grips.

Watford Electric Company, Ltd.
Kempston, Bedfordshire, England

Custom and standard automatic control gear of all types.

Harvey Hubbell do Brasil, S.A.
Sao Paulo, Recife & Maura, Brazil

Produces disconnect switches and electrical power distribution; motor controls,electrical connectors, insulators and automotive friction products.

OB Canada, Inc.
Niagara Falls, Ontario, Canada
Baie d'Urfe, Quebec, Canada

Transfer Agent(s):

Hartford National Bank and Trust Company
Hartford, Connecticut 06115

Stock Exchange(s): American

Ticker Symbol: HUBA & HUBB

Number of Employees:

1980	7,638	1977	5,844
1979	8,331	1976	5,905
1978	8,417		

Sales and Earnings

	Net Sales ‡	Net Income
1980	$406,019,000	$ 29,936,000
1979	362,438,000	26,757,000
1978	260,118,000	20,521,000
1977	211,024,000	16,985,000
1976	192,650,000	15,016,000

	No. of Com. Shares #	Earn. per Share #
1980	11,220,000	$2.43
1979	11,138,000	2.16
1978	11,152,000	1.76
1977	11,178,000	1.52
1976	11,168,000	1.35

‡ Of continuing operations.

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$0.93	—	2-for-1
1979	0.79	—	—
1978	0.71	—	—
1977	0.63	—	4-for-3
1976	0.56	—	—

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$159,215,000	$14.19
1979	141,654,000	12.72
1978	125,550,000	11.26
1977	115,439,000	10.33
1976	105,242,000	9.42

† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31		1980		1979
Net sales	$	406,019	$	362,438
Cost of sales		285,866		256,723
Expenses		60,045		56,340
Interest expense		2,500		1,689
Interest income		(2,035)		(1,407)
Other expense (income)		187		(1,123)
Income before taxes	$	59,456	$	50,216
Income taxes		29,520		23,459
Net Income	$	29,936	$	26,757

*Included in Costs and Expenses, Depreciation and Amortization: $7,685,000 in 1980 and $6,747,000 in 1979.

Assets
(000's)

As of Dec. 31		1980		1979
Cash	$	6,483	$	6,289
Investments in securities		20,896		8,254
Accts. receiv., net		61,921		54,819
*Inventories		77,874		77,585
Prepaid expenses & other assets		7,248		5,538
Current Assets	$	174,422	$	152,485
# Fixed assets		69,503		64,591
Other assets		13,793		15,567
Total Assets	$	257,718	$	232,643

Liabilities
(000's)

Loans payable	$	5,342	$	5,805
Accts. payable		17,401		17,621
Accruals		22,081		17,361
Dividends payable		3,333		3,018
Income taxes		9,841		8,109
Curr. Liabilities	$	57,998	$	51,914
Deferred inc. taxes		2,430		1,955
Long-term debt		3,290		1,765
Reserve for pensions		2,250		2,804
+ Redeemable pref. stock		32,535		32,551
+ + Common stock				
Class A		16,210		8,013
Class B		43,021		21,414
Add. paid-in capital		—		594
Retained earnings		107,721		119,370
Treasury stock		(7,737)		(7,737)
Total Liabilities & Shareholders' Equity	$	257,718	$	232,643

*At lower of cost (FIFO and LIFO) or market.
# Less accumulated depreciation & amortization.
+ No par value.
+ + $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	14.64	13.86
%Net Income to Sales	7.37	7.38
%Net Income to Equity	18.80	18.89
Sales to Inventories	5.21	4.67
Working Capital	$116,424,000	$100,571,000
Current Ratio	3.01	2.94
Shareholders' Equity	$159,215,000	$141,654,000

Hathaway Instruments, Inc.

5250 East Evans Avenue
Denver, Colorado 80222
(303) 756-8301

Also at:
8100 No. Mingo Valley Expressway
Owasso, Oklahoma 74055
(918) 272-1186

Officers: Eugene E. Prince, chairman of the board; A.J. Hintze, vice chairman; Eugene E. Prince, president & chief exec. officer; James A. Bright, v.p.-engineering; E.J. Westback, v.p.-operations; John C. Ball, v.p.-finance, secretary, treasurer & chief financial officer; Thomas H. Crowe, v.p.-marketing; Herbert G. Franson, asst. treasurer; Russell E. Farmer, asst. secretary.

Directors: A. J. Hintze, Peter A. Manhart, Eugene E. Prince, Marvin J. Fein, Blaine D'Arcey, Harold Y. Sampson.

Areas of Work: Manufacture and sale of electro-mechanical equipment and components. The principal products currently produced by the company are electric power disturbance recording equipment, data handling and control systems, general purpose industrial and laboratory oscillographs and electric motors.

Transfer Agent(s):

United Bank of Denver
Denver, Colorado

Stock Exchange(s): Over-the-Counter

Ticker Symbol: HATH (NASDAQ)

Number of Employees:

1980	274	1977	257
1979	248	1976	261
1978	253		

Plant Footage:

1980	65,000 sq. ft.	1977	80,000
1979	55,000	1976	80,000
1978	80,000		

Sales and Earnings

	Net Sales	Net Income +
1980	$ 11,000,157	$ 363,178
1979	10,734,081	352,206
1978	9,995,069	515,19[illegible]
1977	8,654,934	157,667
1976	6,294,144	(1,352,434)

	No. of Com. Shares	Earn. per Share +
1980	821,812	$0.44
1979	820,112	0.44
1978	782,812	0.63
1977	781,512	0.20
1976	781,512	—

(Loss)
+ Including extraordinary credits of $114,000 ($0.14 per share) in 1980, $84,500 (0.11 per share) in 1979, $235,900 ($0.29 per share) in 1978 and $63,100 ($0.08 per share) in 1977.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,500,620	$3.04
1979	2,250,194	2.74
1978	1,968,137 †	2.51
1977	1,477,788 †	2.02
1976	1,320,121 †	1.82

† After allowing for preferred stock at par value.

Income Account *

Year ended	6/28/80	6/30/79
Net sales	$ 11,000,157	$ 10,734,081
Cost of sales	6,634,804	6,585,886
Expenses	3,767,674	3,713,248
Interest expense	241,654	144,295
Other income	(7,153)	(66,054)
Income before taxes	$ 363,178	$ 356,707
Income taxes	114,000	89,000
Net Income	$ 249,178	$ 267,706
Extraord. credit	114,000	84,500
Net Income & extraord. credit	$ 363,178	$ 352,206

* Included in Costs and Expenses, Depreciation and Amortization: $233,149 in 1980 and $184,626 in 1979.

Assets

As of	6/28/80	6/30/79
Cash	$ 12,580	$ 24,623
Receiv., net	2,229,299	1,340,391
*Inventories	1,842,471	1,482,723
Prepaid expenses	60,585	47,539
Current Assets	$ 4,144,935	$ 2,895,276
#Fixed assets	1,484,515	1,468,414
Total Assets	$ 5,629,450	$ 4,363,690
Liabilities		
Notes payable	$ 1,619,715	$ 902,878
Accts. payable	489,238	339,494
Accruals	819,877	586,124
Warranty reserve	200,000	285,000
Curr. Liabilities	$ 3,128,830	$ 2,113,496
+Common stock	410,906	410,056
Add. paid-in capital	1,715,317	1,713,865
Retained earnings	374,397	126,273
Total Liabilities & Shareholders' Equity	$ 5,629,450	$ 4,363,690

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.30	3.32
%Net Income to Sales	2.27	2.49
%Net Income to Equity	9.96	11.90
Sales to Inventories	5.97	7.24
Working Capital	$ 1,016,105	$ 781,780
Current Ratio	1.32	1.37
Shareholders' Equity	$ 2,500,620	$ 2,250,194

Hazeltine Corporation

Commack, New York 11725
(516) 462-5100

Officers: Sal J. Nuzzo, president & chief executive officer; Richard L. Metrick, v.p., fin. and chief fin. officer; James W. Evans, v.p.-marketing; Bernard D. Loughlin, v.p.-technology; Frederick C. Brehm, v.p.-advanced systems; Joseph R. Colarusso, v.p.-industrial products; Raymond J. Hoehn, v.p.-electronic systems; Henry L. Bachman, v.p.-operations, electronic systems; Randolph H. Cope, v.p.-research; Robert F. Normandin, v.p.-word processing internal operations; John A. Sasso, v.p.-computer terminals; Albert Arbeeny, v.p.-color analysis & simulation; Herbert Huebscher, v.p.-new business planning; Charles A. Furciniti, v.p.-electro-acoustic systems lab.; Roger A. Poletti, v.p.-industrial & community relations; Donald P. Neuhaus, v.p.-central engineering specialities; Walter B. O'Neil, v.p.-Washington office; Arthur J. Stanziano, v.p.- international; James A. Kennedy, asst. v.p.-financial analysis; Gene A. Egler, Walter E. Tedford, asst. v.p.'s -international; Kenneth P. Robinson, secretary & general counsel; Edward Reynolds, treasurer; John B. Guelfi, controller.

Directors: Harold A. Wheeler, James W. Evans, Wesley J. Hennessy, Bernard D. Loughlin, Julian Z. Millar, John Slezak, Charles A. Specht, David Westermann, Robert H. Clark, Jr., Sal J. Nuzzo, George E. Peterson, Jr., Richard T. Niner, John W. Dwyer, William F. Whitman, Jr., Herbert I. Fusfeld.

Areas of Work: Designs, develops and manufactureres computer equipment, word processing systems, color film analyzers, graphic arts previewers, and government products consisting of air traffic control equipment; electronic displays for defense and other government purposes, including displays for use in early warning, command and control systems, tactical displays and digital video display systems; antisubmarine warfare equipment, aircraft identification (IFF) systems, and modems for communications.

Divisions:

Industrial Products Division
Greenlawn, New York 11740
(516) 261-7000

Government Products Division
Greenlawn, New York 11740
(516) 261-7000

Subsidiaries:

Imlac Corporation
150 A Street
New England Industrial Center
Needham, Massachusetts 02194
(617) 449-4600

188 Industrial Drive
Suite 315
Elmhurst, Illinois 60126
(312) 833-5060

Hazeltine Ltd.
Greenlawn, New York
London, England

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
New York, New York

Stock Exchange(s): New York

Ticker Symbol: HZ

Number of Employees:

1980	2,800	1977	2,200
1979	2,700	1976	2,186
1978	2,600		

Plant Footage:

1980	871,000 sq. ft.	1977	650,000
1979	871,000	1976	600,000
1978	678,000		

Sales and Earnings

	Net Sales	Net Income#
1980	$133,799,000	$ 4,840,000
1979	123,333,000	5,357,000
1978	105,931,000	4,362,000
1977	95,786,000	3,575,000
1976	89,449,000	5,788,000

	No. of Com. Shares	Earn. per Share #‡
1980	2,047,204	$2.37
1979	2,040,029	2.63
1978	2,031,579	2.14
1977	1,989,729	1.78
1976	1,978,229	3.41

# Including extraordinary gain of $1,050,000 ($0.52 per share) in 1976.

‡ Based on average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1980	1979
Electronic display systems	$ 32,364	$ 22,666
Electronic identification	28,685	25,931
Other	25,375	23,550
Computer terminal sales	31,940	35,253
Computer terminal rentals	4,173	5,515
Imlac	8,120	7,506
Other	3,142	2,912
Total	$ 133,799	$ 123,333

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.75	—	—
1979	0.55	—	—
1978	0.35	—	—
1977	0.20	—	—

Common Stock Equity

	Total Equity	Per Share
1980	$ 45,124,000	$22.04
1979	41,735,000	20.46
1978	37,471,000	18.44
1977	33,639,000	16.91
1976	30,406,000	15.37

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$129,626,000	$117,818,000
Other income	4,173,000	5,515,000
Total Income	$133,799,000	$123,333,000
Cost of sales	92,447,000	85,295,000
Expenses	33,329,000	27,781,000
Other income	(1,928,000)	(1,445,000)
Interest expense	519,000	559,000
Deprec. of rent. equip.	542,000	1,154,000
Income before taxes	$ 8,890,000	$ 9,989,000
Income taxes	4,050,000	4,632,000
Net Income	$ 4,840,000	$ 5,357,000

Assets

As of Dec. 31	1980	1979
Cash	$ 1,803,000	$ 1,543,000
Temporary cash investment	11,804,000	11,417,000
Accts. receiv., net	23,139,000	21,348,000
* Inventories	25,683,000	19,630,000
Prepaid expenses	618,000	650,000
Current Asssets	$ 63,047,000	$ 54,588,000
Rental equipment	346,000	808,000
# Fixed assets	24,235,000	20,067,000
Other assets	2,630,000	3,251,000
Total Assets	$ 90,258,000	$ 78,714,000

Liabilities

	1980	1979
Long-term debt, curr.	$ 592,000	$ 561,000
Accts. payable	9,240,000	6,653,000
Accruals	13,480,000	10,480,000
Deferred income taxes	4,801,000	5,293,000
Current Liabilities	$ 28,113,000	$ 22,987,000
Long-term debt	3,845,000	4,438,000
Deferred compensation	506,000	439,000
Deferred inc. taxes	12,670,000	9,115,000
+ Common stock	14,557,000	14,557,000
Retained earnings	30,701,000	27,393,000
Treasury stock	(134,000)	(215,000)
Total Liabilities & Shareholders' Equity	$ 90,258,000	$ 78,714,000

* Industrial products inventory at lower of cost (FIFO) or market; government products inventory stated on basis of accumulated costs less portions of such costs allocated to products delivered, but not in excess of estimated recoverable amounts.

# Less accumulated depreciation.

+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	6.86	8.48
%Net Income to Sales	3.73	4.55
%Net Income to Equity	10.73	12.84
Sales to Inventories	5.05	6.00
Working capital	$ 34,934,000	$ 31,601,000
Current Ratio	2.24	2.37
Shareholders' Equity	$ 45,124,000	$ 41,735,000

HCC Industries

16311 Ventura Boulevard
Suite 1180
Encino, California 91436
(213) 995-4131

Officers: Jack Goldfarb, chairman of the board, chief executive officer & president; Paul J. Schneider, v.p. & chief financial officer; Andrew Goldfarb, v.p.; Michael Pelta, v.p.; Eugene E. Harrison, secretary.

Directors: Jack Goldfarb, Michael Pelta, Andrew Goldfarb, Martin L. Berman, Robert Goldstein, Morris A. Steinberg, Eugene E. Harrison.

Areas of Work: Manufactures hermetic seals (terminals, headers, connectors and hybrid semi-conductor packages) and sensing devices (transducers) used principally in defense electronics, industrial controls, medical and exploration equipment and other applications. Also markets machine tools and designs and makes computer-controlled lathes, mills and machining centers, through its Cadillac Machines, Inc. subsidiary.

Subsidiaries:

Hermetic Seal Corporation
4232 Temple City Boulevard
Rosemead, California 91770

Transducer Controls Corporation
7800 Deering Avenue
Canoga Park, California 91304

Cadillac Machines, Inc.
1175 North Knollwood Circle
Anaheim, California 92801

HCC Israel
Hermetic Seal International, Inc.

Technological Development & Automation Ltd.
(51% owned)
Atidim Industrial Park
Tel Aviv, Israel

Manufactures transducers (lead cells) used principally in all types of electronic sales.

Transfer Agent(s):

City National Bank
Beverly Hills, California

Stock Exchange(s): Over-the-Counter

Number of Employees:

1981 . . . . . . 335 1980 299

Plant Footage:

1981 . . . . . . 100,000 sq. ft.

Sales and Earnings

	Net Sales	Net Income
1981	$ 20,744,000	$ 1,668,000
1980	16,249,000	1,444,000
1979	8,327,798	863,430
1978	6,009,745	535,387
1977	3,954,434	362,228

	No. of Com. Shares +	Earn. per Share ‡
1981	1,915,400	$0.91
1980	1,608,400	0.90
1979	1,608,400	0.54
1978	1,608,400	0.33
1977	1,608,400	0.23

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

+ Adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1981	$0.06	—	—
1980	0.06	—	2-for-1
1979	0.055	—	—
1978	0.0375	—	2-for-1
1977	0.0375	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share +
1981	$ 8,478,000	$4.43
1980	4,359,000	2.71
1979	3,010,970	1.87
1978	2,236,002	1.39
1977	1,760,930	1.10

+ Adjusted to reflect stock splits.

Income Account *

Year ended	3/28/81	3/29/80
Net sales	$ 20,744,000	$ 16,249,000
Cost of sales	12,397,000	9,383,000
Expenses	4,896,000	3,878,000
Interest income	(807,000)	(153,000)
Interest expense	854,000	335,000
Income before taxes	$ 3,404,000	$ 2,806,000
Income taxes	1,577,000	1,362,000
Minority interest	159,000	—
Net Income	$ 1,668,000	$ 1,444,000

* Included in Costs and Expenses, Depreciation and Amortization: $532,000 in 1980 and $366,000 in 1979.

Assets

As of	3/28/81	3/29/80
Cash	$ 7,272,000	$ 1,406,000
Marketable securities	1,030,000	30,000
Accts. receiv., net	4,270,000	3,328,000
* Inventories	5,485,000	3,291,000
Prepaid expenses	221,000	213,000
Current Assets	$ 18,278,000	$ 8,268,000
# Fixed assets	2,041,000	1,670,000
Other assets	2,446,000	1,620,000
Total Assets	$ 22,765,000	$ 11,558,000

Liabilities

	3/28/81	3/29/80
Notes payable	$ 474,000	$ 1,072,000
Long-term debt, curr.	48,000	627,000
Accts. payable & accruals	3,055,000	2,376,000
Income taxes payable	126,000	671,000
Curr. Liabilities	$ 3,703,000	$ 4,746,000
Long-term debt	10,523,000	2,271,000
Minority interest	61,000	182,000
Common stock	3,021,000	455,000
Retained earnings	5,457,000	3,904,000
Total Liabilities & Shareholders' Equity	$ 22,765,000	$ 11,558,000

* At lower of cost (FIFO) or market.

# Less accumulated depreciation.

Statistical Summary

%Income bef. Taxes to Sales	16.41	17.27
%Net Income to Sales	8.04	8.89
%Net Income to Equity	19.67	33.13
Sales to Inventories	3.78	4.94
Working Capital	$ 14,575,000	$ 3,522,000
Current Ratio	4.94	1.74
Shareholders' Equity	$ 8,478,000	$ 4,359,000

Hercules Incorporated

910 Market Street
Wilmington, Delaware 19899
(302) 575-5000

Officers: Alexander F. Giacco, chairman of the board, president & chief executive officer; Stephen R. Clarke, John R. Ryan, Harvey J. Taufen, sr. v.p.'s; Robert J. Leahy, divisional v.p.-marketing; William O. Nicoll, divisional v.p.-operations; Arden B. Engebretsen, v.p. & treasurer; S. Maynard Turk, secretary & general counsel; Donald A. Mackie, controller; Daniel F. Desmond, asst. treasurer; Charles W.K. Gamble, asst. secretary; Richard R.P. Morrow, asst. secretary; Paul M. Kendall, asst. controller; Louis R. Bauer, v.p.-human resorces; Eugene D. Crittenden, Jr., administration & public affairs; Charles A. Grant, v.p.-commercial development; David S. Hollingsworth, v.p.-planning & acquisitions; Duard H. Little, v.p.-production; Lucien G. Maury, v.p.-development.

Directors: Alexander F. Giacco*, Werner C. Brown, Stephen R. Clarke*, Arthur E. Larkin, Jr., Robert J. Leahy, Thomas M. Macioce, Guy T. McBride, Arthur C. Nielson, Jr., John R. Petty, Marcus V. Pratini de Moraes, John R. Ryan*, Harvey J. Taufen*.

*Member of Executive Committee.

Areas of Work: Primarily a chemical company, Hercules also manufactures electronic products. Haveg Industries, Inc. a wholly-owned subsidiary, produces high temperature insulated electrical and electronic wire and cables, inorganic plastic for electronic uses, aircraft seals, rocket and missile parts, high-temperature-resistant silica materials, corrosion-resistant process equipment and filament-wound structures. Some other products are explosives, synthetic fibres, paints, plastics film propulsion systems, rocket and missile and paper chemicals.

Subsidiaries & Associated Companies:

Adria Laboratories Inc. (50% owned)
Columbus, Ohio

Boots Hercules Agrochemicals Co. (40% owned)
Wilmington, Delaware

Lextar (50% owned)
Wilmington, Delaware

Haveg Industries, Inc.*
Wilmington, Delaware

Hecules Magnetics Ltd. (85% owned)
Tokyo, Japan

Hercules Chemical Corporation*
Wilmington, Delaware

Hercules Trading Corporation*
Wilmington, Delaware

Sumika Hercules Company, Ltd.
(50% owned)
Osaka, Japan

Hercules Overseas Corporation*
Wilmington, Delaware

Texas Aklyls, Inc. (50% owned)
Deer Park, Texas

Hercofina*
Wilmington, North Carolina

Australian Chemical Holdings, Ltd. (60% owned)
Botany, N.S.W., Australia

Hercules Chemicals Australia Pty. Ltd. (60% owned)
Melbourne, Australia

Ceratonia S.A.
Tarragona, Spain

Patex Chemie GmbH*
Traun, Austria

Hercules International Trade Corporation Limited*
Nassau, The Bahamas

Hercules Chemicals N.V.*
Beringen, Belgium

Hercules do Brasil Productos Quimicos Limitada*
Sao Paulo, Brazil

Lextar V.O.F. (50% owned)
Rotterdam, The Netherlands

Hercules Canada Ltd.*
Montreal, Quebec, Canada

Adria Laboratories of Canada Ltd. (50% owned)
Toronto, Ontario, Canada

A/S Kobenhavns Pektinfabrik*
Lille Skensved, Denmark

Hercules Limite
London, England

The Holden Vale Manufacturing Co., Ltd.
(50% owned)
Haslingden, England

Nelsons Acetate Ltd. (50% owned)
Lancaster, England

Polak's Frutal Works Ltd.*
Perivale, England

Oy Herconfinn Ab*
Helsinki, Finland

Hercules France S.A.*
Paris, France

Hercules GmbH*
Hamburg, Germany

Pomosin GmbH*
Grossenbrode, Germany

Abieta Chemie GmbH (50% owned)
Augsburg, Germany

Herdillia Chemicals, Ltd. (22% owned)
Bombay, India

Cesalpinia, S.p.A.*
Milan, Italy

Neofil S.p.A. (50% owned)
Milan, Italy

Hercules Far East Ltd.*
Tokyo, Japan

DIC-Hercules Chemicals, Inc. (50% owned)
Tokyo, Japan

Petrocel, S.A. (30% owned)
Tampico, Mexico

Quimica Hercules, S.A. de C.V.*
Mexico, D.F., Mexico

Hecules BV*
The Hague, The Netherlands

Hercofina Europe*
The Hague, The Netherlands

Hercules Chemie B.V.*
The Hague, The Netherlands

PFW Nederland BV*
Amersfoort, The Netherlands

A.C. Hatrick (N.Z.) Ltd. (60% owned)
Auckland, New Zealand

Hercules de Centroamerica S.A. (60% owned)
Managua, Nicaragua

Curtis Bay Insurance Co., Ltd. (100% owned)
Bermuda

Agroquisa, S.A. (40% owned)
Sao Paulo, Brazil

Pilo Filme Industria e Comercio, Ltda. (49% owned)
Rio de Janeiro, Brazil

PPH Companhia Industrial de Polipropileno (40% owned)
Porte Alegre, Brazil

Companhia Brasileria de Productos Quimicos Bononia
(46% owned)
Rio de Janiero, Brazil

The Holden Vale Manufacturing Co., Ltd. (50% owned)
Haslingden, England

Nelsons Acetate Ltd. (50% owned)
Lancaster, England

HTL Biospecialties Ltd. (50% owned)
Reading, England

Bewoid Italiano & Callegaro, S.p.A.*
Milan, Italy

Dawood Hercules Chemicals Limited (40% owned)
Lahore, Pakistan

Hercor Chemical Corporation (37% owned)
Ponce, Puerto Rico

Hercules Kemiska AB*
Gothenburg, Sweden

Taiwan Polypropylene Co., Ltd. (40% owned)
Taipei, Taiwan

St. Croix Petrochemical Corp. (37% owned)
St. Croix, Virgin Islands

Rika-Hercules K.K. (50% owned)
Osaka, Japan

*Consolidated, wholly-owned subsidiaries.

Transfer Agent(s):

Manufacturers Hanover Trust Company
Four New York Plaza
New York, New York 10015

Wilmington Trust Company
10th & Market Street
Wilmington, Delaware 19899

Stock Exchange(s): New York

Ticker Symbol: HPC

Number of Employees:

1980	22,928	1977	24,002
1979	24,387	1976	23,957
1978	24,431		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 2,485,226	$ 114,000
1979	2,345,425	172,533
1978	1,946,477	103,264
1977	1,697,787	57,930
1976	1,595,956	106,801

	No. of Com. Shares †	Earn. per Share †
1980	45,277,368	$2.60
1979	45,240,171	3.89
1978	45,240,171	2.36
1977	45,240,171	1.36
1976	45,190,300	2.44

† Based on weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Plastics	$ 696,000	$ 665,000
Water-soluble prods.	521,000	467,000
Organics	556,000	503,000
Explosives & aerospace	390,000	306,000
Other prods.	322,000	404,000
Total	$ 2,485,000	$ 2,345,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.20	—	—
1979	1.075	—	—
1978	1.00	—	—
1977	1.00	—	—
1976	0.85	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share †
1980	$ 1,009,746	$22.30
1979	945,422	20.90
1978	818,451	18.09
1977	757,570	16.75
1976	742,020	16.42

† Based on weighted average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 2,485,226	$ 2,345,425
Cost of Sales	2,038,806	1,853,120
Expenses	291,519	280,786
Other expenses	59,835	36,280
Other income	(19,672)	(12,983)
Gain on sale	—	(50,166)
Income before taxes	$ 114,738	$ 238,388
Income taxes	23,361	86,421
Eq. in inc. of affil. cos.	(22,623)	(20,566)
Net Income	$ 114,000	$ 172,533

*Included in Costs and Expenses, Depreciation and Amortization: $114,472,000 in 1980 and $106,517,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 28,947	$ 52,793
Marketable securities	7,758	3,532
Accts. & notes receiv., net	417,802	407,071
*Inventories	337,216	321,089
Current Assets	$ 791,723	$ 784,485
Investments & advances	167,251	145,825
# Fixed assets	872,656	772,889
Defer. charges & misc. assets	58,049	57,978
Total Assets	$ 1,889,679	$ 1,761,177

Liabilities
(000's)

Long-term debt, curr.	$ 148,311	$ 86,268
Accts. payable	153,294	166,657
Accruals	61,240	63,618
Income taxes	42,220	88,529
Curr. Liabilities	$ 405,065	$ 405,072
Long-term debt	334,530	280,619
Pension reserve	23,638	25,607
Deferred inc. taxes	116,700	104,457
+ Common stock	22,111	22,076
Add. paid-in capital	89,482	88,225
Retained earnings	898,273	835,188
Treasury stock	(120)	(67)
Total Liabilities & Shareholders' Equity	$ 1,889,679	$ 1,761,177

*At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $25/48 stated value.

Statistical Summary

%Income bef. Taxes to Sales	4.62	10.16
%Net Income to Sales	4.59	7.36
%Net Income to Equity	11.29	18.25
Sales to Inventories	7.37	7.30
Working Capital	$ 386,658,000	$ 379,413,000
Current Ratio	1.95	1.94
Shareholders' Equity	$1,009,746,000	$ 945,422,000

Hermetite Corp.

100 Ladge Drive
Electronics Park
Avon, Massachusetts 02322
(617) 583-7000

Officers: Morton Ladge, president & treasurer; John G. Convey, v.p.-mfg.; Francis G. Vaccaro, v.p.-engineering; John Ladge, v.p.-marketing; Lawrence M. Levinson, clerk & general counsel; Robert W. Weinstein, asst. clerk.

Directors: Morton Ladge, John G. Convey, Francis G. Vaccaro, John Ladge.

Areas of Work: Manufactures and sells a line of hermetic seals for the electronics and electrical industries.

Subsidiaries:

Norfolk Avon Realty Trust
100 Ladge Drive
Avon, Massachusetts 02322

Transfer Agent(s):

United States Trust Company
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Plant Footage:

1980	37,000 sq. ft.	1977	37,000
1979	37,000	1976	37,000
1978	37,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 11,167,718	$ 604,309
1979	8,525,078	110,408
1978	7,567,889	(99,087)
1977	7,500,768	(138,592)
1976	6,660,280	(133,621)

	No. of Com. Shares	Earn. per Share #
1980	414,800	$1.46
1979	414,800	0.27
1978	414,800	—
1977	414,800	—
1976	414,800	—

(Loss)
# Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,947,814	$7.11
1979	2,343,505	5.65
1978	2,198,097	5.30
1977	2,304,246	5.56
1976	2,484,351	5.99

Income Account *

Year ended Aug. 31	1980	1979
Net sales	$ 11,167,718	$ 8,525,078
Cost of sales	8,425,498	6,957,978
Expenses	1,361,617	1,227,881
Interest expense	192,410	120,838
Embezzlement & other discrep.	119,909	51,050
Income before taxes	$ 1,068,284	$ 167,331
Income tax	463,975	56,923
Net Income	$ 604,309	$ 110,408

* Included in Costs and Expenses, Depreciation: $65,175 in 1980 and $74,617 in 1979.

Assets

As of Aug. 31	1980	1979
Cash	$ 534,300	$ 424,224
Accts. & notes receiv., net	1,622,415	1,499,690
* Inventories	2,794,863	2,330,479
Prepaid expenses	133,610	162,519
Current Assets	$ 5,085,188	$ 4,416,912
# Fixed Assets	554,691	489,796
Other assets	233,181	387,459
Deferred federal taxes	112,879	89,218
Total Assets	$ 5,985,939	$ 5,383,385

Liabilities

Long-tenn debt, curr	$ 231,307	$ 137,044
Accts. payable	599,300	1,160,993
Accruals	460,595	497,020
Contracts payable	6,075	6,075
Federal income taxes	341,857	279,212
Curr. Liabilities	$ 1,639,134	$ 2,080,344
Long-term debt	1,394,941	947,386
Deferred contracts payable	4,050	12,150
+ Common stock	41,480	41,480
Add. paid-in capital	636,941	636,941
Retained earnings	2,269,393	1,665,084
Total Liabilities & Shareholders' Equity	$ 5,985,939	$ 5,383,385

* At lower of estimated cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.57	1.96
%Net Income to Sales	5.41	1.30
%Net Income to Equity	20.50	4.71
Sales to Inventories	4.00	3.66
Working Capital	$ 3,446,054	$ 2,336,568
Current Ratio	3.10	2.12
Shareholders' Equity	$ 2,947,814	$ 2,343,505

Hewlett-Packard Company

1501 Page Mill Road
Palo Alto, California 94304
(415) 856-1501

Hewlett-Packard Company

Officers: David Packard, chairman of the board; William R. Hewlett, chairman of the executive committee; John A. Young, president & chief executive officer; Robert L. Boniface, Paul C. Ely, Jr., William E. Terry, v.p-research & development; Dean O. Morton, executive vice presidents; Edwin E. van Bronkhorst, vice president and treasurer; Bernard M. Oliver, v.p.-research & development; Raymond M. Demere, Jr., William P. Doolittle, W. Bruce Wholley, Alred P. Oliverio, Jean C. Chognard, John L. Doyle, vice presidents; S.T. Jack Brigham, III, secretary & general counsel.

Directors: David Packard, chairman; William R. Hewlett, Paul C. Ely, Jr., William E. Terry, Luis W. Alvarez, Ernest C. Arbuckle, George F. Bennett, Robert Minge Brown, William P. Doolittle, Robert J.Glaser, Francis L. Moseley, Thomas P. Pike, Edwin E. van Bronkhorst, Bernard M. Oliver, Robert L. Boniface, Antonie T. Knoppers, John A. Young, James D. Hodgson, Dean O. Morton.

Areas of Work: Through the instrument and components group, manufactures electronic test and measurement products. These products include microwave semiconductors, light emitting diodes, logic analyzers, voltmeters, frequency analyzers, signal generators and automated test equipment. Computer groups and the Corvallis division manufacture electronic data products. These products include business computers, scientific computers, desktop computers and instrument controllers, data terminals, printers, disc memories, personal scientific and financial calculators and programmable calculators. The medical group manufactures medical electronic equipment. These products include continuous monitoring system for critical care patients, medical data management systems, fetal monitors, electrocardiographs and related interpretive and stress systems, pulmonary function analyzers, cardiac catheterization laboratory systems, blood gas measuring instruments, portable x-ray devices, cardiac defibrillators and hospital supplies. Products of the analytical instrumention group include gas chromatographs, liquid chromatographs, mass spectrometers combined with chromatographs, laboratory automation systems and integrators.

Manufacturing Divisions & Subsidiaries:

Avondale Division
Route 41 & Starr Road
Avondale, Pennsylvania 19311
(215) 268-2281

Colorado Springs Division
P.O. Box 2197
Colorado Springs, Colorado 80901
(303) 598-1900

Delcon Division
Drawer 7021
690 East Middlefield Road
Mountain View, California 94042
(415) 969-0880

Data Systems Division
11000 Wolfe Road
Cupertino, California 95014
(408) 257-7000

Loveland Instrument Division
P.O. Box 301
815 Fourteenth Street, S.W.
Loveland, Colorado 80537
(303) 667-5000

Waltham Division
175 Wyman Street
Waltham, Massachusetts 02154
(617) 890-6300

Stanford Park Division
1501 Page Mill Road
Palo Alto, California 94304
(415) 857-1501

Corvallis Division
1000 N.E. Circle Blvd.
Corvallis, Oregon 97330
(503) 757-2000

Data Terminals Division
19400 Homestead Road
Cupertino, California 95014
(408) 257-7000

Desktop Computer Division
3400 East Harmoney Road
Fort Collins, Colorado 80525
(303) 226-3800

Spokane Division
1620 Signal Drive
TAFC-34
Spokane, Washington 99220
(509) 922-4001

General Systems Division
19447 Pruneridge Avenue
Cupertino, California 95050
(408) 725-8111

Disc Memory Division
11413 Chinden Blvd.
Boise, Idaho 83707
(208) 376-6000

New Jersey Division
Green Pond Road
Rockaway, New Jersey 07866
(201) 627-6400

Vancouver Division
2400 N.E. 65th Avenue
Vancouver, Washington 98661
(206) 699-4535

San Diego Division
16399 Bernardo Drive
San Diego, California 92127
(714) 487-4100

Boise Division
11311 Chinden Blvd.
Boise, Idaho 83707
(208) 376-6000

McMinnville Division
1700 S. Baker Street
McMinnville, Oregon 97128
(503) 472-5101

Santa Rosa Division
1400 Fountain Grove Parkway
Santa Rosa, California 95404
(707) 525-1400

Santa Clara Division
5301 Stevens Creek Boulevard
Santa Clara, California 95050
(408) 246-4300

Scientific Instruments Division
1601 California Avenue
Palo Alto, California 94304
(415) 493-1311

Andover Division
1776 Minuteman Drive
Andover, Massachusetts 01810
(617) 687-1501

Microwave Semiconductor Division
350 West Trimble Road
San Jose, California 95131
(408) 263-7500

Optoelectronics Division
640 Page Mill Road
Palo Alto, California 94304
(415) 493-1212

Hewlett-Packard GmbH
Herrenbergerstrasse, 110
D-7030 Boeblingen, Wurttemberg
West Germany

Yokogawa-Hewlett-Packard Ltd.
9-1, Takakura-cho
Hachioji-shi
Tokyo 192, Japan

Hewlett-Packard Ltd.
South Queensferry
West Lothian EH309TG
Scotland

Hewlett-Packard France S.A.
5, Avenue Raymond Chanas
F-38320 Eybens, France

Hewlett-Packard Do Brasil I.E.C. Ltda.
Rue Hum 681
Jardin San Pedro
CP 1349
13100 Campinas, SP, Brazil
Brazil

Hewlett-Packard (Malaysia) Sdn. Bhd.
Bayan Lepas Free Trade Zone
Penang, Malaysia 831306

Hewlett-Packard Singapore (Pte) Ltd.
1150 Depot Road
Alexandra P.O. Box 58
Singapore 9115

Transfer Agent(s):
Crocker National Bank
150 Post Street
San Francisco, California 94105

Stock Exchange(s): New York, Pacific

Ticker Symbol: HWP

Number of Employees:

1980	57,000	1977	35,100
1979	52,000	1976	32,000
1978	42,400		

Plant Footage:

1980	9,791,000 sq. ft.	1977	7,446,000
1979	9,078,000	1976	7,263,000
1978	8,187,000		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$3,099,000	$269,000
1979	2,361,000	203,000
1978	1,737,000	153,000
1977	1,368,000	121,500
1976	1,121,000	90,800

	No. of Com. Shares +	Earn. per Share ‡
1980	60,221,000	$4.47
1979	59,148,000	3.43
1978	29,010,000	2.63
1977	28,479,000	2.13
1976	27,995,785	1.62

† Adjusted to reflect stock split.
‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1980	1979
Test, measuring & related items	$ 1,215,000	$ 998,000
Electronic data products	1,546,000	1,092,000
Medical electronic equipment	230,000	193,000
Analytical instrumentation	159,000	122,000
Sales between business segments	(51,000)	(44,000)
Total	$ 3,099,000	$ 2,361,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.40	—	—
1979	0.35	—	2-for-1
1978	0.25	—	—
1977	0.20	—	—
1976	0.15	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 1,547,000	$25.69
1979	1,235,000	20.88
1978	1,002,000	34.54
1977	824,400	28.95
1976	676,849	24.18

‡ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Oct. 31	1980	1979
Net sales	$ 3,099,000	$ 2,361,000
Cost of sales	1,475,000	1,106,000
Expenses	1,101,000	857,000
Income before taxes	$ 523,000	$ 398,000
Income taxes	254,000	195,000
Net Income	$ 269,000	$ 203,000

* Included in Costs and Expenses, Depreciation and Amortization: $93,000,000 in 1980 and $72,000,000 in 1979.

Assets
(000's)

As of Oct. 31	1980	1979
Cash & cash investments	$ 247,000	$ 248,000
Accts. receiv., net	622,000	491,000
*Inventories	545,000	478,000
Deferred inc. taxes	77,000	52,000
Current Assets	$ 1,491,000	$ 1,269,000
#Fixed assets	789,000	591,000
Other assets	57,000	40,000
Total Assets	$ 2,337,000	$ 1,900,000

Liabilities
(000's)

	1980	1979
Notes payable	$ 143,000	$ 147,000
Accts. payable	104,000	109,000
Accruals	297,000	237,000
Income taxes	147,000	106,000
Curr. Liabilities	$ 691,000	$ 599,000
Long-term debt	29,000	15,000
Deferred inc. taxes	70,000	51,000
+ Common stock	60,000	59,000
Add. paid-in capital	333,000	267,000
Retained earnings	1,154,000	909,000
Total Liabilities & Shareholders' Equity	$ 2,337,000	$ 1,900,000

* At standard cost, (which approximates FIFO) not in excess of replacement market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	16.88	16.86
%Net Income to Sales	8.68	8.60
%Net Income to Equity	17.39	16.44
Sales to Inventories	5.69	4.94
Working Capital	$ 800,000,000	$ 670,000,000
Current Ratio	2.16	2.12
Shareholders' Equity	$1,547,000,000	$1,235,000,000

The Hickok Electrical Instrument Company

10514 Dupont Avenue
Cleveland, Ohio 44108
(216) 541-8060

Officers: Robert D. Hickok, chairman & president; Robert L. Purcell, executive vice president; Robert L. Bauman, corporate vice president; James F. Hughes, v.p.-manufacturing.

Directors: Robert D. Hickok, chairman; Thomas H. Barton, H. Bruce Boal, Max J. Le[illegible]r, George S. Lockwood, Jr., P.H. Neville, Robert A. Nieminen, William R. Carlson, Robert L. Purcell, Harry J. Fallon, Robert L. Bauman.

Areas of Work: Develops, manufactures, and markets high technology precision indicating instruments, educational and electronic test equipment. Also develops and markets scientific and vocational training programs. Owns and operates a vocational training institute. The indicating instruments and meters produced by the company are used in the aircraft industry, laboratory research, and electronic maintenance.

Subsidiaries:

Supreme Electronics Corp.
1714-16 Carrollton
Greenwood, Mississippi 38930
(601) 453-6212

Electronic test equipment, specialized measuring devices and indicating instruments.

Hickok Teaching Systems, Inc.,
Wheeling Road
Woburn, Massachusetts 01801
(617) 935-5850

Systems to assist in the teaching of the sciences and vocational school training equipment.

Hickok Technical Institute
2341 Carnegie Avenue
Cleveland, Ohio 44108
(216) 696-2626

Private technical schools for teaching vocational skills.

Transfer Agent(s):

Union Commerce Bank
Cleveland, Ohio

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income †
1980	$ 7,894,538	$ 197,228
1979	8,365,283	(49,487)
1978	7,224,149	168,691
1977	6,823,772	(218,000)
1976	7,676,692	381,000

	No. of Com. Share +	Earn. per Share † +
1980	605,372	$0.33
1979	602,803	—
1978	597,954	0.28
1977	589,657	—
1976	586,929	0.65

(Loss)
† Including extraordinary gains of $70,000 ($0.12 per share) in 1980, $94,000 ($0.16 per share) in 1978, $5,000 ($0.01 per share) in 1977 and $209,000 ($0.36 per share) in 1976.
+ Based on the average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 2,640,925	$4.36
1979	2,443,527	4.05
1978	2,490,340	4.16
1977	2,316,605	3.93
1976	2,526,200	4.30

‡ Based on average number of shares outstanding.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 7,894,538	$ 8,365,283
Cost of sales	4,345,515	4,881,783
Prod. develop.	611,181	592,152
Expenses	2,364,144	2,587,226
Interest expense	401,470	353,607
Gain from fire loss	(25,000)	—
Income (loss) before taxes	197,228	(49,487)
Income taxes	$ 70,000	$ —
Net Income (Loss)	$ 127,228	$ (49,487)
Extraord. gain	70,000	—
Net Income (Loss) & extraord. gain	197,228	(49,487)

* Included in Costs and Expenses, Depreciation: $93,695 in 1980 and $82,509 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 73,198	$ 290,684
Accts. receiv., net	3,396,331	3,182,747
* Inventories	3,028,768	2,593,269
Prepaid expenses	54,629	21,052
Current Assets	$ 6,552,926	$ 6,087,752
Cash value of life insurance	52,528	54,197
# Fixed assets	574,302	548,342
Trade note receiv.	14,668	31,277
Other assets	10,000	15,000
Prepaid rent & other deposits	6,167	7,231
Total Assets	$ 7,210,591	$ 6,743,799

Liabilities

	1980	1979
Notes payable	$ 2,245,000	$ 2,200,000
Long-term debt, curr.	129,570	129,449
Accts. payable	1,247,742	866,174
Accruals	642,757	670,482
Curr. Liabilities	$ 4,265,069	$ 3,866,105
Long-term debt	304,597	434,167
+ Common stock:		
Class A	359,607	359,437
Class B	245,820	245,820
Add. paid-in capital	1,270,468	1,270,468
Retained earnings	765,030	567,802
Total Liabilities & Shareholders' Equity	$ 7,210,591	$ 6,743,799

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.50	—
%Net Income to Sales	1.61	—
%Net Income to Equity	4.82	—
Sales to Inventories	2.61	3.23
Working Capital	$ 2,287,857	$ 2,221,647
Current Ratio	1.54	1.57
Shareholders' Equity	$ 2,640,925	$ 2,443,527

Hi-G, Incorporated

580 Spring Street
Windsor Locks, Connecticut 06096
(203) 623-2481

Officers: Alvin Lukash, chairman of the board, president, and chief executive officer; Seth M. Lukash, sr. v.p.; S. Leo Branca, v.p.-financial administration & planning; Ira Cohen, v.p. & treasurer; Stephen H. Friedman, v.p.-marketing; John Moran, Paul Donoghue, v.p.'s; Leslie I. Lukash, secretary; Phil David Fine, assistant secretary.

Directors: Martin Berman, Alvin Lukash, Phil David Fine, Seth Lukash, Ephron Catlin, Leslie I. Lukash, Conrad J. Kronholm, Jr.

Hi-G, Incorporated

Areas of Work: Designs, manufactures, and sells hermetically sealed, miniature and micro-miniature relays, as well as transformers, printed circuit boards and various other electronic components. These components are used in aircraft and aerospace products, missile and other industrial and consumer electronic products. Also manufactures and sells synthesized voice response electronic data processing terminals and machined metal parts.

Subsidiaries:

Hi-G Co., Inc.
Spring Street and Route 75
Windsor Locks, Connecticut 06096
(203) 623-2481

Manufactures miniature and micro-miniature hermetically sealed electromechanical relays. Manufactures solid state timers and sensors.

Merrimack Magnetics Corporation
361 Aiken Street
Lowell, Massachusetts 01850
(617) 458-1487

Manufacturer of ferror esonant transformers for computers, computer peripheral equipment and other electronic equipment.

Transcom Incorporated
580 Spring Street
Windsor Locks, Connecticut 06096
(203) 243-1486

Audio response terminals designed for multiple station users in computer communication systems.

Cambridge Products Corporation
244 Woodland Avenue
Bloomfield, Connecticut 06002
(203) 243-1761

Manufacturer and distributor of coaxial connectors for CB's, CATV and telecommunication.

Magnetec Corporation
96 Granby Street
Bloomfield, Connecticut 06002
(203) 243-8942

Designs and manufactures diversified line of industrial solenoids.

Hi-G D'Italia S.p.A.
Cisterna di Latina, Italy

Manufactures relays and switches for European distribution.

Hi-G International, Inc.
580 Spring Street
Windsor Locks, Connecticut 06096
(203) 623-2481

Merrimack Myrra S.A.
Creteil, France

Manufactures transformers and other precision power products.

Hi-G, Ltd.
London, England

Represents the Company's domestic and foreign manufacturing operations in the United Kingdom and the Commonwealth countries.

Hi-G International Srl
Rome, Italy

Hi-G Relais Vert GmbH
Hamburg, West Germany

Represents the Company's domestic and foreign manufacturing operations in Germany.

Hi-G Ireland Ltd.
Waterford
Republic of Ireland

Hi-G Realty Corporation

Allu Realty Trust
Allu Realty Corporation

Computer Magnetics Corporation

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts 02125

Stock Exchange(s): American

Ticker Symbol: HGI

Number of Employees:

1980	1,762	1977	1,600
1979	1,793	1976	1,600
1978	1,604		

Plant Footage:

1980	450,000 sq. ft.	1977	270,000
1979	359,400	1976	270,000
1978	350,400		

Sales and Earnings

	Net Sales	Net Income #
1980	$ 51,392,313	$ 2,773,350
1979	47,232,276	1,324,736
1978	39,010,899	894,839
1977	30,481,259	118,215
1976*	26,111,830	292,798

	No. of Com. Shares †	Earn. per Share # †
1980	1,292,430	$1.93
1979	1,293,839	0.99
1978	1,298,064	0.69
1977	1,322,833	0.09
1976*	1,344,612	0.22

* 53 weeks.

# Including extraordinary gains of $1,034,000 ($0.67 per share) in 1980 and $26,000 ($0.02 per share) in 1979.

† Based on weighted average number of common shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.12	5%	—
1979	0.03	5%	—
1978	—	5%	—
1977	—	—	—
1976	—	3%	—

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 10,284,958	$7.96
1979	8,002,313	6.18
1978	6,686,447	5.15
1977	5,840,688	4.42
1976	5,824,276	4.33

# Based on weighted average number of common shares outstanding adjusted to reflect stock dividends.

Income Account *

Year ended	3/29/80	3/31/79
Net sales	$ 51,392,313	$ 47,232,276
Cost of sales	38,609,421	36,193,963
Expenses	11,044,231	8,889,108
Other income	(1,350,349)	(133,732)
Income before taxes	$ 3,089,010	$ 2,282,937
Income taxes	1,350,000	958,201
Net Income	$ 1,739,010	$ 1,324,736
Extraord. gain	1,034,340	—
Net Income & extraord. gain	$ 2,773,350	$ 1,324,736

* Included in Costs and Expenses, Depreciation and Amortization: $1,334,499 in 1980 and $1,090,212 in 1979.

Assets

As of	3/29/80	3/31/79
Cash	$ 1,180,445	$ 754,689
Receiv., net	9,452,403	9,273,288
Insur. claim receiv.	1,416,078	—
* Inventories	15,272,858	12,392,242
Prepaid expenses & other	639,826	375,832
Current Assets	$ 27,961,610	$ 22,796,051
# Fixed assets	14,700,874	9,210,274
Other assets	532,649	513,233
Intangibles	1,380,731	1,445,038
Total Assets	$ 44,575,864	$ 33,964,596

Liabilities

Notes & loans payable	$ 10,605,979	$ 7,134,325
Long-term debt, curr.	1,256,040	624,844
Accts. payable	4,345,631	4,804,387
Accruals	2,508,735	1,695,102
Income taxes	715,723	548,195
Curr. Liabilities	$ 19,432,108	$ 14,806,853
Long-term debt	6,611,081	4,117,874
6% debentures	5,979,000	6,349,000
Deferred inc. taxes	1,767,530	329,556
Other liabilities	501,187	359,000
+ Common stock	326,446	310,368
Add. paid-in capital	5,665,981	5,139,857
Retained earnings	4,837,608	2,726,875
Treasury stock	(545,077)	(174,787)
Total Liabilities & Shareholders' Equity	$ 44,575,864	$ 33,964,596

* At lower of cost (FIFO) or market.

# Less accumulated depreciation.

+ No par value.

Statistical Summary

% Income bef. Taxes to Sales	6.01	4.83
% Net Income to Sales	3.38	2.80
% Net Income to Equity	16.91	16.55
Sales to Inventories	3.36	3.81
Working Capital	$ 8,529,502	$ 7,630,198
Current Ratio	1.44	1.50
Shareholders' Equity	$ 10,284,958	$ 8,002,313

High Voltage Engineering Corporation

South Bedford Street
Burlington, Massachusetts 01803
(617) 272-1313

Officers: Pascal Levesque, chairman of the board, president & chief executive officer; Robert O. Svensson, v.p. & treasurer; Gordon R. Hamilton, Jr., v.p.-industrial relations; Donald R. Reilly, general counsel & clerk; Irene A. Doyle, asst. clerk.

Directors: Pascal Levesque, chairman; William W. Buechner, Belmont Towbin, Milton P. Brown, Rolf Eliassen, Ernest F. Stockwell, Samuel Goldblith, Jr.

Areas of Work: Manufacturer of plastic insulation products, electrical connectors, switches, wire and cable, builders' instruments, particle accelerators and electron processing systems and scientific equipment, optical surveying and alignment instruments, hardness test equipment for metals and rubber, battery motive connectors, high current control systems and instrumentation for measurement of AC & DC current, primarily to the electrical and electronics industries.

Divisions and Subsidiaries:

Anacon, Inc. (96% owned)
Burlington, Massachusetts

Anacon (Instruments) Ltd.
Maidenhead, England

Anderson Power Products, Inc.
Boston, Massachusetts

Carbolon Corporation
Sterling, Massachusetts

Berger Instruments Division
Boston, Massachusetts

Shore Instrument & Mfg. Co. Inc.
Jamaica, New York

Electronized Chemicals Corporation
Burlington, Massachusetts

Tellite Division
Whippany, New Jersey

Natvar Corporation
Clayton, North Carolina

Halmar Electronics, Inc.
Columbus, Ohio

High Voltage Engineering Corporation-Burlington Division
Burlington, Massachusetts

HIVEC B. V.
High Voltage Engineering Europa B.V.
Electronized Chemicals Europa B.V.
Amersfoort, The Netherlands

Ion Physics Company
Burlington, Massachusetts

Nissin High Voltage Co., Ltd. (50% owned)
Kyoto, Japan

Transfer Agent(s):

Morgan Guaranty Trust Company
New York, New York

Stock Exchange: New York

Number of Employees:

1980	1,924	1977	1,340
1979	1,924	1976	1,074
1978	1,956		

Plant Footage:

1980	948,000 sq. ft.	1977	852,000
1979	948,000	1976	852,000
1978	948,000		

Sales and Earnings ‡

	Net Sales	Net Income †
1980	$ 88,000,000	$ 4,143,000
1979	78,803,000	3,921,000
1978	71,346,000	3,599,000
1977	59,714,000	2,432,000
1976	49,956,000	1,710,000

	No. of Com. Shares	Earn. per Share +
1980	5,460,290	$0.85
1979	4,637,349	0.85

‡ Restated to include operations of companies acquired on a pooling of interests basis.
† Including extraordinary gain of $50,000 in 1977 and $47,000 in 1976.
+ Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1980	1979
Plastics	$ 20,765,000	$ 18,705,000
Electrical components	39,613,000	36,063,000
Electrical machinery & equip.	15,307,000	11,580,000
Industrial instruments	14,522,000	14,373,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.14	—	—
1979	0.12	—	—
1978	0.10	—	—
1977	0.07	—	—
1976	0.05	—	—

Common Stock Equity ‡

	Total Equity	Equity Per Share
1980	$ 50,574,000	$9.26
1979	36,283,000	7.82

‡ Restated to include operations of companies acquired on a pooling of interests basis.

Income Account *
(000's)

Year ended	12/29/80	12/29/79 ‡
Net sales	$ 88,000	$ 78,803
Cost of sales	64,217	56,379
Expenses	16,287	14,914
Other income	(744)	(16)
Interest expense	1,197	1,103
Gain on sales	—	(550)
Income before taxes	$ 7,043	$ 6,973
Income taxes	2,900	3,052
Net Income	$ 4,143	$ 3,921

*Included in Costs and Expenses, Depreciation and Amortization: $2,744,000 in 1980 and $2,111,000 in 1979.
‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets
(000's)

As of	12/27/80	12/29/79 ‡
Cash	$ 169	$ 177
Cert. of deposit	4,208	531
Notes receiv.	235	225
Accts. receiv., net	13,102	13,825
Refundable inc. taxes	—	493
Unbilled port. of work	2,711	1,031
*Inventories	25,539	21,757
Prepaid expenses	724	650
Current Assets	$ 46,688	$ 38,689
Investments	540	435
Note Receiv.	213	446
# Fixed assets	24,516	19,526
Other assets	205	217
Intangibles	1,957	2,079
Total Assets	$ 74,119	$ 61,392

Liabilities
(000's)

Notes payable	$ —	$ 2,860
Long-term debt.curr.	1,664	1,115
Accts. payable	2,980	4,268
Accruals	3,687	3,588
Advance payments	1,693	3,296
Income taxes	477	440
Deferred income taxes	8	84
Curr. Liabilities	$ 10,509	$ 15,651
Long-term debt	11,551	8,549
Deferred inc. taxes	1,485	909
+Common stock	5,549	4,734
Add paid-in capital	16,458	6,406
Retained earnings	29,023	25,644
Treasury stock	(456)	(501)
Total Liabilities & Shareholders' Equity	$ 74,119	$ 61,392

‡ Restated to include operations of companies acquired on a pooling of interests basis.
* At cost (FIFO & average) but not in excess of net realizable value.
# Less accumulated depreciation.
+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	8.00	8.85
%Net Income to Sales	4.71	4.98
%Net Income to Equity	8.19	10.81
Sales to Inventories	3.45	3.62
Working Capital	$ 36,179,000	$ 23,038,000
Current Ratio	4.44	2.47
Shareholders' Equity	$ 50,574,000	$ 36,283,000

Hipotronics, Inc.

P.O. Drawer A
Brewster, New York 10509
(914) 279-8091

Officers: Stanley G. Peschel, chairman of the board, president & treasurer; Alice M. Forrest, secretary; Barbara P. Gaines, asst. treasurer.

Directors: Stanley G. Peschel, Richard A. Mahler, William J. Florence, Jr., Stephen S. Peschel.

Areas of Work: Designs and manufactures high voltage devices and systems to test materials and equipment used in the transmission of electricity; also designs and manufactures test equipment and high voltage power supplies for use in the electronics industry. Products include AC/DC dielectric test systems, capacitors, DC insulation test equipment, wire sparkers, cable fault location, AD-DC hipot testers and megohmmeters, power supplies, corona test systems, automatic sequential test systems, transformers, magnet wire test systems and miscellaneous high voltage hardware and accessories.

Transfer Agent(s):
The Bank of New York
New York, New York

Stock Exchange(s): American

Ticker Symbol: HIP

Number of Employees:

1980	175	1979	161

Plant Footage:

1980	96,000 sq. ft.	1979	96,000

Sales and Earnings

	Net Sales	Net Income
1980	$ 11,061,557	$ 1,343,030
1979	9,679,934	1,046,869
1978	7,903,888	587,659
1977	7,255,564	797,331
1976	6,128,355	451,109

	No. of Com. Shares †	Earn. per Share †
1980	986,525	$1.36
1979	1,024,770	1.02
1978	1,087,849	0.54
1977	1,110,136	0.71
1976	1,110,136	0.41

† Based on the average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 8,333,337	$8.45
1979	7,069,258	6.90
1978	6,938,833	6.38
1977	6,761,904	6.09
1976	6,214,101	5.60

Income Account *

Year ended Nov. 30	1980	1979
Net sales	$ 11,061,557	$ 9,679,934
Cost of sales	6,258,932	5,715,930
Expenses	2,507,407	2,180,566
Oper. profit	$ 2,295,218	$ 1,783,438
Other income	15,289	7,591
Total	$ 2,310,507	$ 1,791,029
Interest expense	14,027	66,160
Income before taxes	$ 2,296,480	$ 1,724,869
Income taxes	953,450	678,000
Net Income	$ 1,343,030	$ 1,046,869

*Included in Costs and Expenses, Depreciation: $269,980 in 1980 and $252,526 in 1979.

Hipotronics, Inc.

Assets

As of Nov. 30	1980	1979
Cash	$ 322,004	$ 33,831
Accts. receiv., net	2,895,621	2,324,121
Rev. earned in exc. of billings	320,398	—
*Inventories	4,030,551	3,907,191
Prepaid expenses	24,850	39,752
Current Assets	$ 7,593,424	$ 6,304,895
# Fixed assets	2,290,698	2,184,575
Other assets	132,648	90,066
Total Assets	$ 10,016,770	$ 8,579,536

Liabilities

Notes payable to bank	$ —	$ 100,000
Long-term debt, curr.	29,000	29,000
Accts. payable	418,590	412,483
Accruals	307,203	282,219
Accrued payroll	85,561	60,876
Income taxes	232,402	277,458
Deferred inc. taxes	36,300	—
Cust. deposits	266,127	45,442
Curr. Liabilities	$ 1,375,183	$ 1,207,478
Long-term debt	58,000	87,000
Deferred inc. taxes	250,250	215,800
+ Common stock	113,139	112,114
Add. paid-in capital	3,463,086	3,346,061
Retained earnings	5,752,230	4,606,201
Treasury stock	(995,118)	(995,118)
Total Liabilities & Shareholders' Equity	$ 10,016,770	$ 8,579,536

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income before Taxes to Sales	20.76	17.82
%Net Income to Sales	12.14	10.81
%Net Income to Equity	16.12	14.81
Sales to Inventories	2.74	2.48
Working Capital	$ 6,218,241	$ 5,097,417
Current Ratio	5.22	5.22
Shareholders' Equity	$ 8,333,337	$ 7,069,258

Hittman Corporation

9190 Red Branch Road
Columbia, Maryland 21045
(301) 730-7800

Officers: Fred Hittman, president; Barry Koh, v.p., Harry W. Feinstein, v.p. & secretary; Harry L. Lipsitz, treasurer.

Directors: Fred Hittman, Robert Levi, Glen A. Tobias, Oliver J. Travers, Jr., William O. Doub.

Subsidiaries:

Hittman Associates, Inc.
9151 Rumsey Road
Columbia, Maryland 21045
(301) 730-7800

Provides toxic-waste laboratory analysis, environmental engineering and monitoring for business and government.

Hittman Nuclear & Development Corporation
9151 Rumsey Road
Columbia, Maryland 21045
(301) 730-7800

Provides services and equipment related to the handling, packaging and disposal of radioactive materials for the nuclear power industry.

Hittman Medical Systems, Inc.
9050 Red Branch Road
Columbia, Maryland 21045
(301) 997-3400

Designs, develops, manufactures, and markets cardiovascular and neurological diagnostic treatment and rehabilitation equipment.

Hittman Materials & Medical Components, Inc.
9190 Red Branch Road
Columbia, Maryland 21045
(301) 730-7800

Supplies metal-ceramic feedthroughs used to hermetically seal cardiac pacemakers, develops and manufactures high-reliability metal-ceramic components for the electronics industry.

Transfer Agent(s):

Mercantile Safe Deposit & Trust Company
Two Hopkins Plaza
Baltimore, Maryland 21201

Stock Exchange(s): Over-the-Counter

Ticker Symbol: HITT (NASDAQ)

Number of Employees:

1980	336	1977	325
1979	307	1976	275
1978	300		

Sales and Earnings

	Revenues †	Net Income‡
1980	$ 20,621,000	$ 842,900
1979	15,516,000	154,400
1978	14,477,100	165,000
1977	13,436,700	675,700
1976	10,482,800	486,900

	No. of Com. Shares +	Earn. per Share + ‡
1980	688,953	$1.22
1979	688,893	0.22
1978	687,587	0.24
1977	684,557	0.98
1976	682,575	0.71

† Of continuing operations only.
‡ Including extraordinary gain of $427,700 ($0.62 per share) in 1980 and extraordinary loss of $102,700 ($0.15 per share) in 1979.
+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1980	1979
Energy & environmental	$ 15,385,100	$ 11,149,600
Medical inst. & components	5,235,900	4,366,400
Total	$ 20,621,000	$ 15,516,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.10	—	—
1979	0.10	—	—
1978	0.15	2%	—
1977	0.125	3% †	—
1976	0.05	2% ‡	—

† Declared Feb., 1978.
‡ Declared Feb., 1977.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 5,016,300	$7.28
1979	4,236,500	6.15
1978	4,210,000	6.12
1977	4,134,300	6.03
1976	3,524,100	5.16

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *

Year ended Dec. 31	1980	1979
Revenue	$ 20,621,000	$ 15,516,000
Cost of sales	15,752,400	11,875,000
Expenses	3,591,800	2,999,800
Interest expense	455,800	237,100
Misc. expense	73,900	55,300
Income before taxes	$ 747,100	$ 348,700
Income taxes	331,900	91,600
Net Income	$ 415,200	$ 257,100
Extraord. gain (loss)	427,700	(102,700)
Net Income & extraord. items	$ 842,900	$ 154,400

* Included in Costs and Expenses, Depreciation and Amortization: $404,600 in 1980 and $351,800 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 141,800	$ 145,500
Accts. receiv., net	3,878,700	1,915,300
Contracts receiv.	2,278,700	1,452,500
* Inventories	3,047,400	2,559,400
Prepaid exp.	123,500	194,600
Inc. taxes recov.	—	427,300
Other assets	140,800	108,500
Current Assets	$ 9,610,900	$ 6,803,100
# Fixed assets	2,712,000	2,601,200
Other assets	254,900	223,000
Total Assets	$ 12,577,800	$ 9,627,300

Liabilities

Long-term debt, curr.	$ 164,800	$ 163,100
Accts. payable	2,680,400	1,783,700
Accruals	242,700	247,000
Accrued compensation	353,100	88,600
Income taxes	525,500	—
Deferred inc. taxes	426,000	336,000
Accrued taxes	13,600	8,800
Dividend payable	34,500	34,400
Curr. Liabilities	$ 4,440,600	$ 2,661,600
Long-term debt	2,888,800	2,585,300
Deferred inc. taxes	232,100	143,900
+ Common stock	70,300	70,300
Add. paid-in capital	2,397,200	2,397,200
Retained earnings	2,624,000	1,850,200
Treasury stock	(75,200)	(81,200)
Total Liabilities & Shareholders' Equity	$ 12,577,800	$ 9,627,300

* At lower of cost or market.
# Less accumulated depeciation and amortization.
+ $0.10 par value.

Statistical Summary

% Income bef. Taxes to Sales	3.62	2.25
% Net Income to Sales	2.01	1.66
% Net Income to Equity	8.28	6.07
Working Capital	$ 5,170,300	$ 4,141,500
Current Ratio	2.16	2.56
Shareholders' Equity	$ 5,016,300	$ 4,236,500

HMW Industries, Inc.

High Ridge Park
Stamford, Connecticut 06905
(203) 329-8414

Officers: Jerome W. Robbins, chairman of the board, president & chief exec. officer; William D. Serfass, Jr., exec. v.p., chief financial officer & treasurer; Jay J. Greengard, v.p. & pres.-Waldom Electronics, Inc.; Kenneth R. Bernhardt, v.p. & president-Hamilton Technology, Inc; Robert F. Wilson v.p. & president-Wallace Silversmiths, Inc.; Ralph S. Rousch v.p. & pres.-Handi-Man Industries, Inc.; John C. Helms, controller and asst. treasurer; Isabella M. Pernicone, secretary.

Directors: Jerome W. Robbins, chairman; Miles S. Chenault, William C. Serfass, Jr., Wallace E. Carroll, Jacob Saliba, Gerald N. Goldberger, William J. Flynn, Mark L. Shapiro.

Subsidiaries:

Home Furnishings Group

Chairmakers, Inc./Ayers Furniture Industries
Manufactures, assembles and distributes family room furniture to retailers.

Wallace Silversmiths, Inc.
Markets sterling silver dinnerware and other accessories.

Defense and Metal Products Group

Hamilton Precision Metals Division
A precision roller of strip and foil with specialized properties for high technology use.

Hamilton Technology, Inc.
A key supplier of fuzes and precision ordance timing devices to the U.S. military and manufacturer of ultra-thin rolled metal products.

Distribution Group

Handi-Man Distributors, Inc.
Distributes consumer and industrial fasteners.

Waldom Distributors, Inc.
A nationwide distributor of electronic components through radio supply stores and wholesalers.

Acquisition(s):

Chairmakers, Inc.
Gardena, California
Manufactures living and family room furniture.

Ayers Furniture Industries
Fort Smith, Arkansas
Manufactures family room furniture.

Transfer Agent(s):

Chemical Bank
New York, New York

Stock Exchange(s): New York

Ticker Symbol: HMW

Number of Employees:

1981	2,242	1978	1,710
1980	1,455	1977	1,820
1979	1,510		

Plant Footage:

1981	1,033,482 sq.ft.	1978	876,700
1980	808,482	1977	904,700
1979	876,700		

Sales and Earnings

	Net Sales +	Net Income †
1981	$101,172,000	$ 5,022,000
1980	90,948,000	9,343,000
1979	73,491,000	2,280,000
1978	63,279,000	(6,458,000)
1977	50,641,000	(3,623,000)

	No. of Com. Shares	Earn. per Share † #
1981	2,890,639	$1.73
1980	2,871,976	3.27
1979	2,856,638	0.80
1978	2,856,638	—
1977	2,856,638	—

(Loss)
+ Of continuing operations only.
† Including extraordinary gains of $1,191,000 ($0.41 per share) in 1981, $4,336,000 ($1.52 per share) in 1980,and $871,000 ($0.34 per share) in 1978.
# Based on the average number of shares outstanding.

Revenues By Line of Business
(000's)

	1981	1980
Silverware	$ 45,385	$ 34,897
Metal products	29,398	30,173
Distribution	26,389	25,878
Total	$ 101,172	$ 90,948

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 27,355,000	$9.46
1980	22,238,000	7.74
1979	12,835,000	4.49
1978	10,555,000	3.69

Income Account *

Year ended Jan. 31	1981	1980
Net sales	$101,172,000	$ 90,948,000
Other income	1,144,000	821,000
Total income	$102,316,000	$ 91,769,000
Cost of sales	71,995,000	63,210,000
Expenses	20,015,000	15,914,000
Interest expense	3,133,000	2,787,000
Income before taxes	$ 7,173,000	$ 9,858,000
Income taxes	3,342,000	4,851,000
Net Income	$ 3,831,000	$ 5,007,000
Extraord. gain	1,191,000	4,336,000
Net Income & extraord. gain	$ 5,022,000	$ 9,343,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,474,000 in 1980 and $1,112,000 in 1979.

Assets

As of Jan. 31	1981	1980
Cash	$ 1,075,000	$ 3,613,000
Cert. of deposit	3,657,000	7,550,000
Accts. & notes receiv., net	13,821,000	10,638,000
* Inventories	29,425,000	18,891,000
Prepaid expenses	1,393,000	830,000
Current Assets	$ 49,371,000	$ 41,522,000
# Fixed assets	21,581,000	11,184,000
Other assets	1,637,000	361,000
Intangibles	1,442,000	983,000
Total Assets	$ 74,031,000	$ 54,050,000

Liabilities

Notes payable	$ 3,843,000	$ 3,937,000
Long term debt. curr.	3,566,000	2,967,000
Accts. payable & accruals	12,208,000	8,676,000
Curr. Liabilities	$ 19,617,000	$ 15,580,000
Long-term debt	24,675,000	15,782,000
Reserve for pensions	405,000	348,000
Deferred income taxes	1,709,000	—
Other liab.	270,000	102,000
+ Common stock	2,979,000	2,979,000
Add. paid-in capital	16,001,000	15,996,000
Retained earnings	8,803,000	3,781,000
Treasury stock	(428,000)	(518,000)
Total Liabilities & Shareholders' Equity	$ 74,031,000	$ 54,050,000

* At lower of cost (LIFO, FIFO, actual production cost) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.09	10.84
%Net Income to Sales	3.79	5.51
%Net Income to Equity	14.00	22.52
Sales to Inventories	3.44	4.81
Working Capital	$ 29,754,000	$ 25,942,000
Current Ratio	2.52	2.67
Shareholders' Equity	$ 27,355,000	$ 22,238,000

Honeywell, Inc.

Honeywell Plaza
Minneapolis, Minnesota 55408
(612) 870-5200

Officers: Edson W. Spencer, chairman of the board & chief exec. officer; James J. Renier, pres.-control systems; Stephen G. Jerritts, pres.-info. systems; Robert W. Maynard, v.p. & general counsel; Charles E. Brown, v.p.-executive personnel; Peter W. Robinson, v.p. & director-Tax Dept.; James H. Grenell, v.p. & controller; Edward C. Lund, v.p.-adm.; Louis E. Navin, v.p. & chief financial officer; Dean B. Randal, v.p.-communications; James R. Berrett, v.p.-development; Fosten A. Boyle, v.p.-employee relations; Gerald P. Dinneen, v.p.-science & technology; Wayne E. Petersen, v.p.-marketing; William D. Conley, v.p.-public affairs; Sigurd Ueland, Jr., secretary; Andrew C. Genor, treasurer.

Directors: Edson W. Spencer*, chairman; Stephen F. Keating*, Bruce B. Dayton*, Carl B. Drake, Jr.*, Robert A. Charpie, E. Robert Kinney*, J. Robert Schaetzel, William H. Spoor*, James J. Renier*, David M. Lilly*, Alexander J. MacIntosh, Archie R. McCardell, Stephen G. Jerritts, Richard M. Bressler.

*Member of Executive Committee

Divisions and Subsidiaries:

Corporate Technology Center
10701 Lyndale Avenue South
Bloomington, Minnesota 55420
(612) 887-5200

Solid State Electronics Center
12001 State Highway 55
Plymouth, Minnesota 55441
(612) 542-7805

Control Systems

Aerospace and Defense Group

Avionics Division
2600 Ridgeway Parkway
Minneapolis, Minnesota 55413
(612) 378-4141
Space programs, commercial aviation, military avionics/electronic systems, navigation and guidance systems.

Defense Systems Division
600 Second St. N.E.
Hopkins, Minnesota 55343
(612) 931-5133
Combat fire control systems, ammunitions, torpedoes; power source millimeter-wave components; sonar systems and components; acoustic sensing systems and components; ship-positioning systems; offshore petroleum instrumentation.

Systems and Research Center
2600 Ridgway Parkway
Minneapolis, Minnesota 55413
(612) 378-4141
Systems analysis in aerospace and ordnance; applied research in physical and life sciences and information and control sciences.

Defense Electronics Division
5303 Shilshole Avenue Northwest
Seattle, Washington 98107
(206) 798-2000
Electro-optical, infrared, millimeter wave and acoustic sensing systems and components; sonar systems and components; digital fire control and display systems;trainers and simulators; oceanographic research equipment; ship positioning systems.

Tampa Operations
3602 West Waters Avenue
Tampa, Florida 33684
(813) 932-5331
Engineering and manufacturing of military and commercial electronic equipment.

Technology Strategy Center
Rosedale Towers
1700 West Highway 36
Roseville, Minnesota 55113
(612) 378-4141
Demonstration programs in energy, productivity, security, environment and services.

Commercial Building Group

Building Management Services
Honeywell Plaza
Minneapolis, Minnesota 55408
(612) 870-2221
Building and management of the Honeywell centers and management of large office buildings for other firms.

Building Services Division
Honeywell Plaza
Minneapolis, Minnesota 55408
(612) 870-5200
Contract maintenance of control systems and building mechanical systems; Service line product sales and installation; leased BOSS services; energy management systems.

Commercial Construction Division
Honeywell Plaza
Minneapolis, Minnesota 55408
(612) 870-5200
Comfort control; building management systems; fire alarm and security.

Protection Services Division
Honeywell Plaza
Minneapolis, Minnesota 55408
(612) 870-5200
Leased burglary and fire protection from central stations; residential burglary and fire-alarm systems.

Components Group

Motor Products Division
4301 Kishwaukee Street
Rockford, Illinois 61109
(815) 966-3600
High performance DC motors; permanent magnet DC motors; electrical generators.

Micro Switch Division
Chicago and Spring Streets
Freeport, Illinois 61232
(815) 235-5500
Precision electrical switches; lighted and unlighted pushbutton switches; non-contact switches; data entry keyboards.

Skinner Valve Division
95 Edgewood Avenue
New Britain, Connecticut 06051
(203) 225-6421
Solenoid diaphragm, spool valves.

Spectronics, Inc.
830 East Arapaho Road
Richardson, Texas 75081
(214) 234-4271
Optoelectronic and fiber optics systems and components.

Synertek, Inc.
30001 Stendee Way
Santa Clara, California 95051
(408) 988-5600
Microprocessor, memory components and systems.

Industrial Products Group

Mobile Controls Center
550-39th Avenue Northeast
Minneapolis, Minnesota 55421
(612) 378-5370
Automatic electronic and hydraulic controls and systems for off-the-road vehicles.

Process Management Systems Division
1100 Virginia Drive
Fort Washington, Pennsylvania 19034
(215) 643-1300
Process control and data acquistion systems; software application packages for power and industrial applications.

Process Management Systems Division
2222 West Peoria Avenue
Phoenix, Arizona 85029
(602) 997-3000
Process control and data acquisition systems; software application packages for power and industrial applications.

Test Instruments Division
4800 East Dry Creek Road
Denver, Colorado 80217
(303) 771-4700
Sensing and recording instrument; data acquisition systems for research laboratories and communications facilities; production testing; medical instrumentation; instrument repair and recalibration service; patient-monitoring equipment.

Traffic Management Center
5121 Winnetka Avenue North
New Hope, Minnesota 55428
(612) 536-3200
Traffic control equipment and computerized traffic control systems.

Residential Group

Energy Products Center
10400 Yellow Circle Drive
Minnetonka, Minnesota 55343
(612) 931-4200
Energy management controls for small commercial buildings.

Flame Safeguard Controls Center
10400 Yellow Circle Drive
Minnetonka, Minnesota 55343
(612) 931-4200
Commercial and light-industrial combustion controls and systems.

Residential Controls Center
10400 Yellow Circle Drive
Minnetonka, Minnesota 55343
(612) 931-4200
Environmental controls for residences; electronic air cleaners. Smoke detectors; fuel saver thermostats; portable air cleaners; emergency lights; pilot safety-control thermocouples, winter watchmen; furnance filter indicators.

International Operations
Honeywell Plaza
Minneapolis, Minnesota 55408
(612) 870-2788

European Division

Honeywell Europe, S.A.
14 Avenue Henri Matisse
1140 Brussels, Belgium
Subsidiary companies and affiliates: Austria, Belgium, Denmark, Finland, France, Germany, Itay, Kuwait, the Netherlands, Mediterranean Basin, Africa, Middle East Region, Greece, Saudi Arabia, Norway, South Africa, Spain, Sweden, Switzerland, United Arab Emirates, United Kingdom.

Canadian Division

Honeywell Limited
740 Ellesmere Road
Scarborough, Ontario, Canada
(416) 293-8111

Asia Pacific Division

Honeywell
c/o Yamatake-Honeywell Co. Ltd.
Magai International Building
2-12-19 Shibuya, Shibuya-ku
Tokyo 150, Japan
Subsidiary companies and affiliates: Australia, Hong Kong, Japan, New Zealand,Singapore, Taiwan, Thailand.

Latin American Region

Honeywell Inc.
Honeywell Plaza
Minneapolis, Minnesota 55408
(612) 870-2707
Subsidiary companies and affiliates: Argentina, Brazil, Dominican Republic, Mexico, Puerto Rico, Venezuela.

Technology Strategy Center
Minneapolis, Minnesota 55408
Demonstration programs in energy, productivity, security, environment and services.

Information Systems

Honeywell Information Systems, Inc.
Honeywell Plaza
Minneapolis, Minnesota 55408
(612) 870-2721
Worldwide planning and coordinating headquarters for all computer activities.

United States Information Systems Group
200 Smith Street
Waltham, Massachusetts 02154
(617) 895-6000

Marketing and Services Information Systems Division
200 Smith Street
Waltham, Massachusetts 02145
(617) 890-8400
Marketing and servicing in the United States and Puerto Rico of computer products manufactured by Honeywell and Cii Honeywell Bull.

Large Information Systems Division
P.O. Box 6000
Deer Valley Park
Phoenix, Arizona 85005
(602) 866-6000
Product planning, engineering, manufacturing and support for large systems for Honeywell markets worldwide.

Small/Medium Information Systems Division
300 Concord Road
Billerica, Massachusetts 01821
(617) 671-6000
Product planning, engineering, manufacturing, for the Level and certain terminal products for Honeywell markets worldwide. Product planning, engineering support, manufacturer and/or refurbishment in the U.S. for small and medium systems and peripherals.

Honeywell Information Systems-Italia
32 Via Pirelli
20124 Milano, Italy
Development and manufacture of computer systems and peripheral equipment; and marketing and servicing of computer products manufactured by Honeywell and Cii Honeywell Bull in Italy, Yugoslavia, Israel and Turkey.

Honeywell Information Systems Ltd.
Honeywell House
Great West Road
Brentford, Middlesex, England
Manufacture of computer systems. Development of software and special systems. Marketing and servicing of computer products manufactured by HIS and CII-HB in the United Kingdom and Ireland.

Honeywell Information Systems International
Honeywell Plaza
Minneapolis, Minnesota 55408
(612) 870-2581
Marketing and servicing of computer products manufactured by Honeywell and Cii Honeywell Bull in Australasia, the South Pacific, Japan, Southeast Asia, South Africa, the India Subcontinent, Canada, Mexico, Central America and the Carribbean Islands.

Product Management Operation
Minneapolis, Minnesota
Worldwide planning and coordinating for all computer activities.

Acquisition:

Heinrich Braukmann Armaturenfabrik GmbH
Manufacturer of valves and other products for hot-water heating.

Megadyne Corporation
Manufacturer of multilayer circuit boards for large computer.

Transfer Agent(s):

Northwestern National Bank of Minneapolis
Seventh & Marquette
Minneapolis, Minnesota 55480

Northwestern Trust Company
Tenth Floor
40 Wall Street
New York, New York 10005

Stock Exchange(s): New York, Belgium, England, France, The Netherlands and Switzerland.

Ticker Symbol: HON

Number of Employees:

1980	97,202	1977	75,840
1979	94,620	1976	70,775
1978	86,328		

Sales and Earnings

	Net Sales * (000's)	Net Income # (000's)
1980	$ 4,924,700	$ 293,500
1979	4,209,500	260,500
1978	3,547,800	201,400
1977	2,911,100	145,100
1976	2,495,300	113,100

	No. of Com. Shares ‡	Earn. per Share # ‡
1980	22,400,000	$13.13
1979	21,900,000	11.89
1978	21,400,000	9.41
1977	21,000,000	6.90
1976	20,500,000	5.50

* Includes computer rental and service revenue.

# Including extraordinary gains of $12,600,000 ($0.56 per share) in 1980, $20,50,000 ($0.94 per share) in 1979, $19,900,000 ($0.93 per share) in 1978, $10,800,000 ($0.51 per share) in 1977 and $7,800,000 ($0.38 per share) in 1976.

‡ Based on the weighted average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Environmental systems & controls	$ 1,212,900	$ 1,013,200
Industrial systems	1,081,400	912,500
Aerospace & defense	996,300	831,200
Information systems	1,634,100	1,452,600
Total	$ 4,924,700	$ 4,209,500

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.80	—	—
1979	2.40	—	—
1978	2.05	—	—
1977	1.75	—	—
1976	1.50	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$1,904,200,000	$84.03
1979	1,642,500,000	73.89
1978	1,386,900,000	64.69
1977	1,208,743,000	58.49
1976	1,128,024,000	53.53

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 4,118,800	$ 3,504,600
Other income	805,900	704,900
Total Revenues	$ 4,924,700	$ 4,209,500
Cost of revenues	3,167,700	2,658,400
Expenses	1,310,900	1,136,300
Interest income	(50,900)	(42,500)
Interest expense	66,500	47,000
Fees paid to subsid.	53,000	40,900
Income of subsid.	(28,500)	(23,100)
Income before taxes	$ 406,000	$ 392,500
Income taxes	162,500	176,000
Equity income	(37,400)	(23,500)
Net Income	$ 280,900	$ 240,000
Extraord. gain	12,600	20,500
Net Income & extraord. gain	$ 293,500	$ 260,500

* Included in Costs and Expenses, Depreciation: $256,200,000 in 1980 and $244,700,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 33,000	$ 14,600
Time dep. & marketable sec.	212,200	161,000
Receivables	936,800	853,400
* Inventories	925,200	751,000
Current Assets	$ 2,107,200	$ 1,780,000
Investments	427,700	367,800
# Fixed assets	1,130,500	964,000
Other assets	227,200	227,800
Total Assets	$ 3,892,600	$ 3,339,600

Liabilities
(000's)

	1980	1979
Short-term debt	$ 106,300	$ 81,600
Accts. payable	222,200	219,900
Cust. advances	95,500	77,200
Accruals	489,400	432,000
Income taxes	184,900	126,000
Curr. Liabilities	$ 1,098,300	$ 936,700
Long-term debt	470,300	439,700
Oblig. for rental contracts	55,400	1,800
Deferred inc. taxes	278,000	239,700
Other liab.	86,400	79,200
+ Common stock	34,000	33,400
Add. paid-in capital	624,700	594,400
Retained earnings	1,245,500	1,014,700
Total Liabilities & Shareholders' Equity	$ 3,892,600	$ 3,339,600

* At lower of cost (FIFO or weighted average) or market.

# Less accumulated depreciation.

+ $1.50 par value.

Statistical Summary

%Income before Taxes to Revenues	8.24	9.32
%Net Income to Revenues	5.70	5.70
%Net Income to Equity	14.75	14.61
Working Capital	$1,008,900,000	$843,300,000
Current Ratio	1.92	1.90
Shareholders' Equity	$1,904,200,00	$1,642,500,000

Humphrey, Inc.

9212 Balboa Avenue
San Diego, California 92123
(714) 565-6631

Officers: P.E. Humphrey, president & chairman of the board; R.T. Rutherford, sr. v.p., B.L McKie, C.R. Bonnell, A.K. Mills, vice presidents; J.L. Alviar, treasurer; D.J. Streed, secretary.

Directors: P.E. Humphrey, chairman; Romilly T. Rutherford, John R. Sorbo, Roger A. Humphrey, Raymond C. Pennington.

Areas of Work: Develops, manufactures and sells electro-fluidic, and electro-optical instruments for industry and defense. Products include vertical and directional gyroscopes, angular rate sensors, silerometer and accelerometer switches, free gyros, rate gyros, artificial horizon gyros and repeaters accelographs, potentiometers, rate switches, stabilized platforms, flexure pivots, inertial reference systems, electric hand dryers, blowers, oceanographic components, automotive dynamic-test packages, and pendulums.

Transfer Agent(s):

California First Bank
Corporate Trust Department
P.O. Box 2529
San Diego, California 92112

Stock Exchange(s): Over-the-Counter

Ticker Symbol: HUPH (NASDAQ)

Number of Employees:

1980	196	1977	142
1979	167	1976	115
1978	157		

Plant Footage:

1980	31,950 sq. ft.	1977	22,200
1979	22,200	1976	22,200
1978	22,200		

Sales and Earnings

	Net Sales	Net Income
1980	$ 7,485,900	$ 407,225
1979	5,526,910	257,719
1978	5,087,526	240,507
1977	3,865,910	143,948
1976	2,919,170	69,764

	No. of Com. Shares †	Earn. per Share ‡
1980	500,000	$1.02
1979	400,000	0.64
1978	400,000	0.60
1977	400,000	0.36
1976	400,000	0.18

† Adjusted to reflect stock split.

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	4-for-1

Common Stock Equity

	Total Equity	Equity Per Share‡
1980	$ 2,905,615	$5.81
1979	1,192,919	2.98
1978	935,200	2.34
1977	694,693	1.74
1976	550,745	1.38

‡ Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 7,485,900	$ 5,526,910
Cost of sales	5,183,157	3,811,422
Expenses	1,233,459	1,027,437
Discounts & other	205,104	144,438
Interest expense	54,955	62,694
Income before taxes	$ 809,225	$ 480,919
Income taxes	402,000	223,200
Net income	$ 407,225	$ 257,719

* Included in Costs and Expenses, Depreciation and Amortization: $58,681 in 1980 and $45,503 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 84,238	$ 32,042
Receiv., net	371,925	443,375
Future income tax benefits	35,500	21,300
* Inventories	2,546,035	1,655,262
Prepaid expenses	19,565	29,440
Current Assets	$ 4,453,263	$ 2,181,419
# Fixed assets	757,128	676,834
Deposits	5,618	—
Cash value of life ins.	12,535	11,557
Total Assets	$ 5,228,544	$ 2,869,810

Liabilities

	1980	1979
Note payable	$ 100,000	$ 33,333
Long-term debt, curr.	80,111	36,772
Accts. payable	606,211	465,634
Accruals	173,506	66,174
Accrued commissions	313,225	217,867
Accrued bonuses	—	80,000
Income taxes	404,506	183,943
Cust. deposits	82,537	50,000
Curr. Liabilities	$ 1,760,086	$ 1,133,723
Long-term debt	562,843	543,168
+ Common stock	1,594,667	100,000
Common stock warrants outstanding	1,000	—
Add. paid-in capital	—	190,196
Retained earnings	1,309,948	902,723
Total Liabilities & Shareholders' Equity	$ 5,228,544	$ 2,869,810

* At lower of cost (average or FIFO) or net realizable market.
# Less accumulated depreciation.
+ No par value in 1980; $1 par value in 1979.

Statistical Summary

%Income bef. Taxes to Sales	10.81	8.70
%Net Income to Sales	5.44	4.66
%Net Income to Equity	14.02	21.60
Sales to Inventories	2.94	3.34
Working Capital	$ 2,693,177	$ 1,047,696
Current Ratio	2.53	1.92
Shareholders' Equity	$ 2,905,615	$ 1,192,919

ICOT Corporation

(formerly Microform Data Systems, Inc.)

830 Maude Avenue
Mountain View, California 94043
(415) 964-4635

Officers: Arnold N. Silverman, chairman of the board & president; Peter D. Hepburn, Seldan S. Lazarow, v.p.'s; Lawrence W. Parrish, v.p.-finance, treasurer & secretary.

Directors: William D. Witter, B.J. Brooks, Neill H. Brownstein, Donald L. Lucas, Arnold N. Silverman.

Areas of Work: Manufactures a complete line of automatic and manual retrieval equipment.

Divisions:

ICOT Division
Mountain View, California
Manufactures electronic communications equipment, including automatic ticket printers for airlines.

Medical Systems Division
Supplies data management information systems for clinical laboratories and hospitals.

Transfer Agent(s):

Wells Fargo Bank National Association
San Francisco, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ICOT (NASDAQ)

Sales and Earnings

	Net Sales	Net Income #
1980	$ 25,285,638	$ 305,440
1979*	22,948,932	(10,926,659)
1978	35,951,187	2,435,060
1977	24,519,302	1,601,583
1976	20,699,647	2,051,748

	No. of Com. Shares +	Earn. per Share # +
1980	5,813,833	$0.04
1979	5,475,702	—
1978	5,484,536	0.44
1977	5,451,628	0.29
1976	5,386,861	0.38

(Loss)
*53 weeks.
# Including extraordinary credits of $130,000 ($0.02 per share) in 1980, $1,139,000 ($0.21 per share) in 1978, $795,000 ($0.14 per share) in 1977 and $1,080,000 ($0.20 per share) in 1976.
+ Based on weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 286,263†	$0.05
1979	326,640	0.06
1978	10,971,072	2.00
1977	8,343,611	1.53
1976	6,735,278	1.25

‡ Based on weighted average number of shares outstanding.
† After allowing for preferred stock at aggregate liquidation value.

Income Account *

Year ended	8/1/80	8/3/79
Net sales	$ 25,285,638	$ 22,948,932
Cost of sales	18,265,461	20,218,843
Expenses	3,814,152	6,283,836
Other charges	—	4,512,629
Research & develop.	1,334,488	1,685,255
Interest expense	1,531,097	1,175,028
Income (loss) bef. taxes	$ 340,440	$ (10,926,659)
Income taxes	165,000	—
Net Income (Loss)	$ 175,440	$ (10,926,659)
Extraord. credit	130,000	—
Net Income (Loss) & extraord. credit	$ 305,440	$ (10,926,659)

*Included in Costs and Expenses, Depreciation and Amortization: $846,200 in 1980 and $1,137,654 in 1979.

Assets

As of	8/1/80	8/3/79
Cash	$ 115,467	$ 94,785
Accts. receiv., net	3,747,485	3,549,922
*Inventories	6,653,293	7,619,180
Prepaid expenses	284,890	339,568
Current Assets	$ 10,801,135	$ 11,603,455
# Fixed assets	2,277,771	3,085,197
Leased equip.	10,294	100,518
Intangibles	199,438	247,310
Note receiv.	130,768	—
Total Assets	$ 13,419,406	$ 15,036,480

Liabilities

	8/1/80	8/3/79
Notes payable	$ 750,000	$ 2,180,243
Long-term debt, curr.	716,973	442,623
Accts. payable & accruals	2,058,525	3,863,526
Cust. advances	493,611	462,987
Employee comp.	687,405	658,815
Inc. taxes. payable	51,300	11,000
Dividends payable	66,950	—
Curr. Liabilities	$ 4,824,764	$ 7,619,194
Long-term debt	4,712,379	7,090,646
+ Preferred stock:		
Series A	1,500,000	—
Series B	1,000,000	—
+ + Common stock	1,108,845	1,107,195
Add. paid-in capital	13,389,502	12,619,019
Retained earnings (deficit)	(12,902,514)	(13,141,004)
Treasury stock	(140,670)	(140,670)
Notes receiv., stock purchase	(72,900)	(117,900)
Total Liabilities & Shareholders' Equity	$ 13,419,406	$ 15,036,480

*At lower of standard cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1000 stated value. Series A cumulative convert.; Series B cumulative non-convert.
+ + $0.20 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.35	—
%Net Income to Sales	0.69	—
%Net Income to Equity	4.52	—
Sales to Inventories	3.80	3.01
Working Capital	$ 5,976,371	$ 4,011,261
Current Ratio	2.24	1.53
Shareholders' Equity	$ 3,882,263	$ 326,640

ILC Industries, Inc.

(70% owned by Rapid-American Corporation)

Airport International Plaza
105 Wilbur Place
Bohemia, New York 11716
(516) 567-5600

Officers: Leonard C. Lane, chairman of the board; Anthony W. Trapani, chief executive officer.

Directors: Leonard C. Lane, Anthony W. Trapani, Stewart F. Lane, Thomas M. Divine, Daniel B. Fisher.

Areas of Work: Manufactures electronic data conversion equipment and environmental clothing. Electronic data conversion equipment includes synchro-to-digital and digital-to-synchro converters; high-speed and high-accuracy digital-to-analog and analog-to-digital converters; synchro-related instruments and data conversion systems and subsystems; densely packaged thick-film hybrid circuits and discrete potted modules. Also manufactures space suits and environmental clothing.

Divisions and Subsidiaries:

ILC Data Device Corporation
105 Wilbur Place
Bohemia, New York 11716

ILC Space Systems
16903 Buccaneer Drive
Houston, Texas 77058

ILC Dover
P.O. Box 266
Frederica, Delaware 19946

Beta Transformer Technology Corporation
105 Wilbur Place
Bohemia, New York 11716

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
One Chase Manhattan Plaza
New York, New York 10015

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Revenues	Net Income ‡
1980	$ 36,047,017	$ 1,983,879
1979	29,781,748	2,123,767

1978	21,482,457	1,050,022
1977	15,976,726	885,544
1976	11,377,868	57,057

	No. of Com. Shares	Earn. per Shares ‡
1980	750,690	$2.64
1979	749,690	2.83
1978	750,000	1.40
1977	750,000	1.18
1976	750,000	0.08

‡ Including extraordinary gains of $395,231 ($0.53 per share) in 1977, $3,181 ($0.01 per share) in 1976 and extraordinary losses of $19,414 ($0.03 per share) in 1979 and $50,000 ($0.07 per share) in 1978.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 6,492,557	$8.65
1979	4,508,678	6.01
1978	2,382,786	3.18
1977	1,333,384	1.78
1976	447,840	0.60

Income Account *

Year ended Dec. 31	1980	1979
Net revenues	$ 36,047,017	$ 29,781,748
Cost of sales	22,257,311	18,760,077
Expenses	7,745,101	6,411,521
Depreciation & amortization	1,651,260	820,364
Minority interest	382,479	384,801
Interest expense	999,987	261,423
Income before taxes	$ 3,010,879	$ 3,143,562
Income taxes	1,027,000	1,000,381
Net Income	$ 1,983,879	$ 2,143,181
Extraord. loss	—	(19,414)
Net Income & extraord. loss	$ 1,983,879	$ 2,123,767

Assets

As of Dec. 31	1980	1979
Cash & short-term invest.	$ 483,738	$ 592,939
Accts. receiv., net	6,762,322	6,782,443
* Inventories	8,910,035	5,792,871
Other assets	433,170	168,487
Current Assets	$ 16,589,265	$ 13,336,740
# Fixed assets	9,581,953	2,390,256
Equip. leased out	4,753,614	3,506,057
Other assets	172,671	189,534
Total Assets	$ 31,097,503	$ 19,422,587

Liabilities

Long-term debt, curr.	$ 1,395,125	$ 818,164
Accts. payable	2,491,008	1,225,486
Accruals	1,880,098	1,848,801
Advance payments	203,658	375,065
Fed. inc. taxes	87,521	503,955
Curr. Liabilities	$ 6,057,410	$ 4,771,471
Long-term debt	17,488,431	9,659,263
Deferred inc. taxes	798,076	282,517
Other deferred items	261,029	200,658
+ Common stock	750,690	750,690
Add. paid-in-capital	1,419,500	1,419,500
Retained earnings	4,322,367	2,338,488
Total Liabilities & Shareholders' Equity	$ 31,097,503	$ 19,422,587

* At lower of cost (FIFO or average) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	8.35	10.56
%Net Income to Revenues	5.50	7.20
%Net Income to Equity	30.56	47.53
Working Capital	$ 10,531,855	$ 8,565,269
Current Ratio	2.74	2.80
Shareholders' Equity	$ 6,492,557	$ 4,508,678

Illinois Tool Works Inc.

8501 West Higgins Road
Chicago, Illinois 60631
(312) 693-3040

Officers: Silas S. Cathcart, chairman & chief exec. officer; Harold Byron Smith, Jr., vice chairman; John D. Nichols, president & chief operating officer; Frederick W. Biermann, v.p. & controller; Arthur M. Wright, v.p. & general counsel & secretary; David Byron Smith, v.p. & treasurer; Royal C. Downton, v.p.-admin. services; H. Richard Crowther, v.p. & pres. of Intl. Group; W. James Farrell, v.p. & pres. of Fastener & Tool Group; George T. Valaoras, v.p. & pres.-Electronic Products Group; Robert G. Rettig, v.p. & pres.-Packaging Systems & Instruments Group; Steve A. Stefan, v.p. & pres.-Components Group; Sidney H. Paige, v.p.-human resources.

Directors: Silas S. Cathcart, Weston R. Christopherson, Henry W. Meers, Edward Byron Smith, Harold Byron Smith, Harold Byron Smith, Jr., Solomon Byron Smith, Omer G. Voss, Russell M. Wicks, Robert H. Strotz, Edward F. Swift, Robert D. Tuttle, John D. Nichols, Robert C. McCormack, Arthur M. Wood, Edward J. Williams.

Areas of Work: Develops and manufactures a broad range of specialty products, principally industrial components; its five major product areas include engineered metal and plastic fasteners and components, plastic packaging products and systems, electronic products, components precision tools and gearing, and instruments and systems.

Divisions:

Electronic Products and Components

Precision snap action switches; lighted pushbutton and panel switches; proximity switches; electronic keyboards; custom engineered switch and electronic keyboards; custom engineered switch and electrical hardware combinations; plastic film/foil capacitors and metalized plastic film capacitors; multilayer monolithic ceramic capacitors.

Cortron Division
Elmhurst, Illinois
Electronic keyboards.

Licon Division
6615 West Irving Park Road
Chicago, Illinois 60634
Precision electrical switches.

Paktron Division
Vienna, Virginia
Lynchburg, Virginia
Electronic components.

Precision Tools and Gearing

Special and standard expendable metal cutting tools. Precision gear systems, high reduction ratio gear motors, mikron machine tools and fine pitch gear cutters.

Illinois/Eclipse Division
Pine Bluff, Arkansas
Ferndale, Michigan
Chicago, Illinois
Metal cutting tools.

Spiroid Division
2601 North Keeler Avenue
Chicago, Illinois 60639
Special gearing.

Packaging Products

Multi-packaging plastics products such as carriers for beer, soft drinks, juices, and food. Hot and cold drink cups for vending machines and counter services.Plastic food containers and lids. Portion packaging for dairy foods and beverages.

Conex Division
1901 South Mount Prospect Road
Des Plaines, Illinois 60143
Fullerton, California
Plastic Containers.

Hi-Cone Division
Charleston, Illinois
Fullerton, California
Zebulon, North Carolina

Itasca, Illinois
Multi-packaging.

Engineered Fasteners and Components

Specialty threaded fasteners, lockwashers, spring tention washers, electrical terminals, mechanical/chemical fasteners, automated fastener application systems.Construction fasteners. Plastic fasteners and components. Special stamped metal-fasteners and components.

Shakeproof Division
Russellville, Kentucky

Elgin, Illinois
Mineral Wells, Texas
Special industrial fasteners.

Fastex Division
195 Algonquin Road
Des Plaines, Illinois 60016
Plastic and metal components.

Buildex Division
Elk Grove Village, Illinois
Construction fasteners.

Deltar Division
Frankfort, Illinois
Automotive components.

Instruments and Systems

Develops and produces gear measuring instruments, special purpose machines and systems for packaging applications and fastener production and assembly, customdesigned equipment and systems for industrial and defense use, and medical products and systems.

Illitron Division
3601 West Touhy Avenue
Chicago, Illinois 60645
Precision instruments and systems.

Diamed Division
Elk Grove Village, Illinois
Medical disposables and systems.

Subsidiaries:

Canada ITW Limited
67 Scarsdale Road
Don Mills, Ontario, Canada
(416) 447-7251

Devcon Corporation
Danvers, Massachusetts
Mexico City, Mexico
Scarborough, Canada
Shannon, Ireland
Specialty chemical products.
ITW Limited
Basingstoke, England
Portsmouth, England
Theale, England
Windsor, England

Illinois Tool Works Inc.

ITW-Ateco G.m.b.H.
Munich, Germany
Hamburg, Germany
Letmathe, Germany
Weiden, Germany

ITW de France S.A.
Paris, France

ITW Industria e Comerciao Ltda.
Sao Paulo, Brazil

ITW Fastex Italia, S.p.A.
Turin, Italy

ITW Asia (Pte) Limited
Singapore

ITW Paktron Ltd.
Koahsiung, Taiwan

W.A. Deutsher Pty. Ltd.
(97% owned)
Melbourne, Australia
Sydney, Australia
Auckland, New Zealand

ITW Espana S.A.
Barcelona, Spain

ITW Hi-Cone Ltd.
Mallow, Ireland

Affiliated Companies:

Nifco Inc. (31.5% owned)
Tokyo, Japan
Yokohama, Japan
Kanagawa, Japan

Multipak de Venezuela C.A. (50% owned)
Caracas, Venezuela

Computer Products, Inc. (22% owned)
Fort Lauderdale, Florida

Metalurgica Mapri-Illinois Ltda. (40% owned)
Sao Palo, Brazil

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
23 Wall Street
New York, New York 10015

The Northern Trust Company
50 South LaSalle Street
Chicago, Illinois 60675

Stock Exchange(s): New York, Midwest

Ticker Symbol: ITW

Number of Employees:

1980	6,800	1977	7,300
1979	7,800	1976	7,000
1978	7,500		

Plant Footage*:

1980	1,990,000 sq. ft.	1977	1,875,000
1979	1,990,000	1976	1,875,000
1978	1,990,000		

* Parent company only.

Sales and Earnings

	Oper. Revenues +	Net Income
1980	$401,654,000	$ 44,266,000
1979	398,125,000	41,160,000
1978	344,794,000	34,310,000
1977	293,011,000	26,749,000
1976	251,306,000	20,802,000

	No. of Com. Shares	Earn. per Shares #
1980	12,232,328	$3.62
1979	12,231,228	3.37
1978	12,225,806	2.81
1977	12,219,000	2.19
1976	12,214,000	1.71

+ Includes net sales, equipment rentals and royalties.
# Based on average number of shares outstanding.

Revenues By Line of Business

	1980 (000's)	%	1979 (000's)	%
Engineered fasteners & components	$188,870	47%	$188,213	47%
Packaging products	70,350	18	63,857	16
Precision tools & gearing	47,308	12	45,002	11
Electronic components & products	61,455	15	71,515	18
Instruments & systems	33,936	8	30414	8
Eliminations	(276)		(876)	—
Total	$401,654	100%	$398,125	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.02	—	—
1979	0.95	—	—
1978	0.72	—	—
1977	0.60	—	—
1976	0.53	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$262,437,000	$21.45
1979	230,865,000	18.88
1978	198,773,000	16.26
1977	173,490,000	14.20
1976	154,053,000	12.61

Income Account *

Year ended Dec. 31	1980	1979
Operating Revenues	$401,654,000	$398,125,000
Operating costs	255,565,000	256,331,000
Expenses	82,668,000	75,860,000
Other income	(4,545,000)	(7,926,000)
Income before taxes	$ 77,966,000	$ 73,860,000
Income taxes	33,700,000	32,700,000
Net Income	$ 44,266,000	$ 41,160,000

* Included in Costs and Expenses, Depreciation: $18,836,000 in 1980 and $17,908,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 5,135,000	$ 5,329,000
Marketable securities & cert. of dep.	68,942,000	59,523,000
Accts. receiv., net	64,401,000	59,395,000
* Inventories	57,654,000	57,980,000
Prepaid inc. taxes	2,347,000	4,218,000
Current Assets	$198,479,000	$186,445,000
Investments	38,123,000	29,976,000
# Fixed assets	98,074,000	92,148,000
Other assets	8,912,000	6,052,000
Total Assets	$343,588,000	$314,621,000

Liabilities

International borrowings	$ 1,662,000	$ 2,720,000
Accts. payable	23,031,000	25,716,000
Accruals	24,122,000	27,100,000
Dividends payable	3,303,000	3,058,000
Income taxes	16,360,000	14,001,000
Curr. Liabilities	$ 68,478,000	$ 72,595,000
Long-term debt	2,878,000	1,610,000
Other liabilities	5,937,000	5,737,000
Unamortized investment tax credits	3,858,000	3,814,000
+ Common stock	40,917,000	40,913,000
Add. paid-in capital	7,587,000	7,564,000
Retained earnings	214,364,000	182,819,000
Treasury stock	(431,000)	(431,000)
Total Liabilities & Shareholders' Equity	$343,588,000	$314,621,000

* At lower of cost or market. Cost is valued at LIFO for parent company and Devcon Corp.; all other inventories at FIFO.
# Less accumulated depreciation.
+ $3.33⅓ par value.

Statistical Summary

%Income bef. Taxes to Revenues	19.41	18.55
%Net Income to Revenues	11.02	10.34
%Net Income to Equity	16.87	7.83
Working Capital	$130,001,000	$113,850,000
Current Ratio	2.90	2.57
Shareholder' Equity	$262,437,000	$230,865,000

Image Systems, Inc.

11244 Playa Court
Culver City, California 90230
(213) 390-3378

Officers: Timothy P. Fitzgerald, president, chief exec. officer & treasurer; R. Edward Fenner III, v.p.-finance & secretary.

Directors: William E. McKenna, Fred C. Mehner, Chester H. Brandon, R. Edward Fenner, III, Timothy P. Fitzgerald, Joseph Papa, M. A. Quraishi.

Areas of Work: Manufactures CARD microfiche retrieval-display system. CARD is adaptable for peripheral use with computers. Components of CARD include all solid state electronics and removable printed circuit boards, micro-image projection optics and cast and machined mechanical parts. Also sells, to the users of its CARD systems, equipment that can give these users their own capability to produce low-cost encoded microfiche. These products include a step and repeat microfiche, camera, a microfiche duplicator, high-speed and manual microfiche cutters and several different models of equipment for the encoding and attachment of binary clips to microfiche. Also manufactures MENTOR, which differs from CARD primarily with respect to its reduction ratio capability and QUESTICON, a microfiche retrieval terminal unit that is fully "interactive" with a computer system.

Subsidiaries:

Image Systems, Ltd.
United Kingdom

Transfer Agent(s):

U.S. Stock Transfer Corporation
8383 Wilshire Boulevard/Suite 360
Beverly Hills, California 90211

Stock Exchange(s): Over-the-Counter

Ticker Symbol: IMAG (NASDAQ)

Sales and Earnings

	Net Sales	Net Income #
1979	$ 4,179,206	$ (32,529)
1978	3,966,239	(223,224)
1977	4,411,981	(760,199)
1976	6,015,542	(52,501)
1975	6,365,402	161,307

	No.of Com. Shares †	Earn. per Share #†
1979	1,758,288	$ —
1978	1,755,166	—
1977	1,752,549	—
1976	1,749,627	—
1975	5,793,053	0.03

(Loss)
# Including extraordinary gains of $95.307 in 1979 and $108.000 ($0.02 per share) in 1975.
† Based on the average number of common shares and common share equivalents outstanding.

Income Account *

Year ended Dec.31	1979	1978
Revenues	$ 4,179,206	$ 3,966,239
Interest income	26,271	8,306
Total income	$ 4,205,477	$ 3,974,545
Cost of sales	2,293,763	2,173,631
Expenses	1,624,483	1,633,497
Prod. development	367,226	341,113
Interest expense	47,841	49,528
Net Loss	$ (127,836)	$ (223,224)
Extraord. gain	95,307	—
Net Loss & extraord. gain	$ (32,529)	$ (223,224)

* Included in Costs and Expenses, Depreciation and Amortization: $148.822 in 1979 and $143.975 in 1978.

Assets

As of Dec. 31	1979	1978
Cash	$ 310,006	$ 705,674
Accts. receiv. net	973,401	850,522
*Inventories	1,161,681	1,343,365
Prepaid expenses	34,027	60,307
Current Assets	$ 2,479,115	$ 2,959,868
# Fixed assets	382,927	433,429
Defer. charges & other assets	95,645	52,427
Total Assets	$ 2,957,687	$ 3,445,724

Liabilities

Notes payable	$ 168,289	$ 1,210,900
Accts. payable	663,472	948,935
Accruals	142,334	132,385
Accrued payroll	69,670	87,792
Curr. Liabilities	$ 1,043,765	$ 2,380,012
6% subord. prom. notes	880,739	—
+ Preferred stock	500,000	500,000
+ + Common stock	175,879	175,778
Add paid-in capital	12,157,069	12,157,170
Deficit	(11,799,765)	(11,767,236)
Total Liabilities & Shareholders' Equity	$ 2,957,687	$ 3,445,724

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.
+ + $0.10 par value.

Statistical Summary

Working Capital	$ 1,435,350	$ 579,856
Current Ratio	2.38	1.24
Shareholders' Equity	$ 1,033,183	$ 1,065,712

IMC Magnetics Corp

570 Main Street
Westbury, New York 11590
(516) 334-7070

Officers: Charles Wohlstetter, chairman of the board; Fenimore Fisher, president; Eugene J. Egan, v.p.-sales; Anthony J. Gambale, v.p.-manufacturing; Daniel B. Jones, v.p.-marketing; Alvin Loeb, v.p.-finance & treasurer; Anthony J. Puglisi, v.p.-internal audit; Jack I. Titen, v.p.-Human resources; Seymour L. Mantell, secretary; Paul E. Gelbard. assistant secretary.

Directors: Charles Wohlstetter, chairman; Toshio Egawa, Fenimore Fisher, Robert B. Peltz, Hans H. Baerwald, William S. Nakamura, H. William Tanaka, Bruce W. Morgan.

Areas of Work: Designs and manufactures electric motor driven fans and blowers for the cooling of enclosures, computer equipment and communications equipment; A.C. synchronous, stepping, torque, induction and D.C. motors; tachometer generators; gears and gear assemblies; solenoids and electromechaical assemblies and hydraulic valves for use in process equipment, pumps, aircraft, medical, and electromechanical applications.

Divisions:

Arizona Division
1900 East Fifth Street
Tempe, Arizona 85281
(602) 968-4441

New Hampshire Division
Route 16B
Rochester, New Hampshire 03867
(603) 332-5300

Western Division
6058 Walker Avenue
Maywood, California 90270
(213) 583-4785

Eastern Division
570 Main Street
Westbury, New York 11590
(516) 334-7070

Texas Division
Mexia Industrial Park
Mexia, Texas 76667

Tennessee Division
Factory Street
Camden, Tennessee 38320

Subsidiaries:

Hansen Manufacturing Company, Inc.
McKaw Summit
Princeton, Indiana 47670

Industrie Electro Mecanique
Haiti, S.A.
Autoroute de Dalmas
Port-au-Prince, Haiti

A.K. Fans Limited
20 Upper Park Road
London, NW3 2UR England

Transfer Agent(s):

Registrar and Transfer Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: IMG

Sales and Earnings

	Net Sales +	Net Income
9/30/80	$ 50,060,087	$ 2,588,091
9/30/79	39,138,513	2,188,966
9/30/78*	19,970,118	1,065,117
2/28/78	30,847,517	1,566,519
2/28/77	17,493,282	883,155

	No. of Com. Shares	Earn. per Share ‡
9/30/80	872,937	$2.99
9/30/79	851,437	3.03
9/30/78	651,437	1.64
2/28/78	651,437	2.40
2/28/77	651,337	1.36

* 7 months.
+ Of continuing operations only.
‡ Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
9/30/80	$ 17,206,050	$19.71
9/30/79	14,809,936	17.39
9/30/78	10,705,325	16.43
2/28/78	9,705,356	14.90
2/28/77	8,269,124	12.70

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 50,060.087	$ 39,138,513
Cost of sales	38,181,877	28,720,622
Expenses	6,913,331	5,863,481
Interest expense	775,631	753,112
Other income	(329,843)	(145,880)
Income before taxes	$ 4,519,091	$ 3,947,178
Income taxes	1,931,000	1,816,000
Inc. from cont. oper.	$ 2,588,091	$ 2,131,178
Inc. from discont. oper.	—	57,788
Net Income	$ 2,588,091	$ 2,188,966

* Included in Costs and Expenses, Depreciation and Amortization: $1,059,599 in 1980 and $907,741 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 600,837	$ 96,938
Acct. receiv., net	8,036,848	6,069,373
* Inventories	13,345,037	10,779,657
Invest. in subsid. sold	160,000	862,822
Prepaid expenses	62,561	177,519
Current Assets	$ 22,205,283	$ 17,986,309
# Fixed assets	8,256,949	7,626,120
Project funds held by trustee	642,996	—
Invest. in subsid. sold	395,000	555,000
Other assets	304,335	180,784
Total Assets	$ 31,804,563	$ 26,348,213

Liabilities

Long-term debt, curr.	$ 470,000	$ 795,000
Accts. payable	4,235,473	2,954,033
Accruals	775,103	789,229
Accrued payroll	1,750,158	1,427,428
Income taxes	311,575	229,003
Dividends payable	60,553	59,601
Curr. Liabilities	$ 7,602,862	$ 6,254,294
Long-term debt	6,467,657	5,040,120
Deferred inc. taxes	527,994	243,863
+ Common stock	290,979	283,812
Add. paid-in capital	3,849,492	3,558,659
Retained earnings	13,314,312	10,967,465
Stock incentive plan	(248,733)	—
Total Liabilities & Shareholders' Equity	$ 31,804,563	$ 26,348,213

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.33⅓ par value.

Statistical Summary

%Income bef. Taxes to Sales	9.03	—
%Net Income to Sales	5.17	—
%Net Income to Equity	15.04	14.78
Sales to Inventories	3.75	3.63
Working Capital	$ 14,602,421	$ 11,732,015
Current Ratio	2.92	2.88
Shareholders' Equity	$ 17,206,050	$ 14,809,936

Inco Limited

Executive Offices:

1 First Canadian Place
Toronto, Ontario, Canada M5X1C4
(416) 361-7511

One New York Plaza
New York, New York 10004
(212) 742-4000

Inco Limited

Officers: Charles F. Baird, chairman & chief executive officer; Donald J. Phillips, president; Ian McDougall, Ashby McC. Sutherland, William Steven, sr. vice presidents; Philip E. McCarthy, John J. Moran, Donald G. Walker, Frank C. Burnet, Dean D. Ramstad, Raymond F. Decker, Alfred P. Statham, J. Stuart Warner, vice presidents; Robert T. deGavre, treasurer; Philip C. Jessup, Jr., v.p.-general counsel & secretary; Anthony J. Sabatino, comptroller.

Directors: Charles F. Baird*, Robert W. Bonner, G. Arnold Hart*, The Rt. Hon. Lord Nelson of Stafford, Ashby McC. Sutherland, Peter D. Curry, Alexander D. Hamilton, Edward R. Kane, Stephen F. Keating, Robert P. Luciano, Harold Bridges, Ian McDougall, Donald J. Phillips, Walter F. Light, Allen T. Lambert*, Donald G. Willmot*, George T. Richardson, Lucien G. Rolland, William Steven, Reva Gerstein.

*Member of Executive Committee.

Areas of Work: Engaged in the mining, refining and sale of nickel, copper, precious metals, cobalt and iron ore,; rolling mill products. ESB Ray-O-Vac Corporation, a subsidiary, produces a variety of batteries, fractional horsepower electric motors, emergency power systems, personal safety devices, fire alarm and private telephone systems, emergency lighting devices, hospital utility consoles, medical electronic instruments (heart pacers), plastic products, and adhesives, coating, binders, cements and foams.

Divisions and Subsidiaries:

Inco Electro Energy Corporation
5 Penn Center Plaza
Philadelphia, Pennsylvania 19103

The International Nickel Company, Inc.
One New York Plaza
New York, New York 10004

Inco Europe Limited
Thames House
Millbank, London, SWIP 4QF
England

Inco Metals Company
1 First Canadian Place
Toronto, Ontario M5X 1C4

Huntington Alloys, Inc.
Huntington, West Virginia 25720

Wiggin Alloys Limited
Holmer Road
Hereford, HR4 9SL, England

P.T. International Nickel Indonesia
Jalan Melawai VI/8
Kebayoran Baru, Jakarta, Indonesia

Exmibal
Edificio Valenzuela
14 Calle 6-12, Zona 1
Guatemala City, Guatemala

Canadian Nickel Company Limited
Toronto, Ontario, Canada

International Sales Limited
Toronto, Ontario, Canada

International Nickel do Brasil Comercial Ltda.
Sao Paulo, Brazil

Mineracao Serras do Sul Ltda.
Rio de Janeiro, Brazil

International Nickel B.V.
The Hague, The Netherlands

International Nickel Deutschland G.m.b.H.
Dusseldorf, Germany

International Nickel France S.A.
Paris, France

International Nickel Iberica Limited
Madrid, Spain

International Nickel Italia Srl.
Milan, Italy

International Nickel Oceanie, S.A.
Paris, France

International Nickel Japan Ltd.
Tokyo, Japan

The International Metals Reclamation
Company, Inc.
Ellwood City, Pennsylvania

American Copper & Nickel Company, Inc.
New York, New York

Pittsburgh Pacific Processing Co.
Pittsburgh, Pennsylvania

Wiggin Alloys S.A.
Brussels, Belgium

Wiggin Alloys G.m.b.H.
Dusseldorf, Germany

Daniel Doncaster & Sons Limited
Birley House, Wadsley Bridge
Sheffield, S6 1ET, England

Canadian Alloys Division
Walden Industrial Park
Lively, Ontario, Canada

Daido Special Alloys, Ltd.
Daido Building, 7-13, 1 Chome
Nishi-Shinbashi
Minato-ku, Tokyo, Japan

Ray-O-Vac Corporation
101 East Washigton Avenue
Madison, Wisconsin 53703

Exide Corporation
5 Penn Center Plaza
Philadelphia, Pennsylvania 19103

Inco Alloy Products Company
One New York Plaza
New York, New York 10004

Turbo Products International, Inc.
Pond Meadow Road
Ivoryton, Connecticut 06442

Exide Electronics Corporation
2 Penn Center Plaza
Philadelphia, Pennsylvania 19102

Universal Electric Company
300 East Main Street
Owosso, Michigan 48867

Inco Safety Products Company, Inc.
3 Penn Center Plaza
Philadelphia, Pennsylvania 19103

Transfer Agent(s):

Canada Permanent Trust Company
Toronto, Ontario, Canada
Calagary, Alberta, Canada

The Royal Trust Company
Montreal, P.Q. Canada

Morgan Guaranty Trust Company of New York
New York, New York

The Royal Trust Company of Canada
London, England

Stock Exchange(s): New York, Pacific, Montreal, Toronto

Ticker Symbol: N (New York), NA.N (Montreal, Class A), NA.Q(Toronto, Class A), NB.N (Montreal,Class B), N.BQ (Toronto, Class B)

Number of Employees:

1980	52,653	1977	56,922
1979	53,460	1976	55,767
1978	52.581		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 3,036,099	$ 219,407
1979	2,488,543	141,725
1978	2,083,094	77,809
1977	1,953,300	99,900
1976	2,040,300	196,800

	No. of Com. Shares ‡	Earn. per Share ‡
1980	75,464,000	$2.56
1979	74,762,000	1.58
1978	74,595,000	0.77
1977	74,593,000	1.24
1976	74,[illegible]76,000	2.64

‡ Based on the weighted average number of common shares outstanding.

Revenues By Line of Business

	1980 (000's)	%	1979 (000's)	%
Primary metals	$1,407,000	46%	$1,054,000	42%
Batteries & related prods.	765,000	25	744,000	30
Alloy prods.	731,000	24	553,000	22
Other business	133,000	5	138,000	6
Total	$3,036,000	100%	$2,489,000	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.69	—	—
1979	0.50	—	—
1978	0.70	—	—
1977	1.25	—	—
1976	1.60	—	—

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$1,817,300,000	$24.08
1979	1,657,900,000	22.18
1978	1,566,700,000	21.00
1977	1,561,600,000	20.93
1976	1,562,400,000	20.95

+ Based on the weighted average number of common shares outstanding.

Income Account
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 3,036,099	$ 2,488,543
Other income	41,676	35,056
Total income	$ 3,077,775	$ 2,523,599
Cost of sales	2,088,679	1,799,650
Expenses	372,004	297,585
Interest expense	156,485	133,718
Currency translation adjustments	3,799	12,679
Income before taxes	$ 456,808	$ 279,967
Income & mining taxes	237,401	138,242
Net Income	$ 219,407	$ 141,725

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 26,321	$ 37,956
Marketable securities	26,962	36,018
Accts. receiv., net	574,700	518,260
* Inventories	1,305,613	1,081,644
Prepaid expenses	17,977	11,548
Current Assets	$ 1,951,573	$ 1,685,426
Investments & advances	66,152	62,170
# Fixed assets	2,542,356	2,523,383
Other assets	27,841	23,373
Intangibles	43,558	41,037
Total Assets	$ 4,631,480	$ 4,335,389

Liabilities
(000's)

Notes payable	$ 166,646	$ 131,731
Long-term debt, curr.	140,260	70,073
Accts. payable & accruals	454,070	415,907
Income & mining taxes	151,139	124,594
Curr. Liabilities	$ 912,115	$ 742,305
Long-term debt	1,044,780	1,072,326
Pension benefits	52,156	49,493
Minority interest	15,088	19,010
Deferred income & mining taxes	445,000	446,000
+ Preferred stock	345,040	348,316
+ + Common stock	125,413	107,225
Add. paid-in capial	61,036	61,036
Retained earnings	1,630,852	1,489,678
Total Liabilities & Shareholders' Equity	$ 4,631,480	$ 4,335,389

* At lower of cost or net realizable value.
# Less accumulated depreciation and depletion.
+ $25 par value; Series A floating rate, series B 7.85%.
+ + No par value.

Statistical Summary

%Income bef. Taxes to Sales	15.05	11.25
%Net Income to Sales	7.23	5.70
%Net Income to Equity	12.07	8.55
Sales to Inventories	2.33	2.30
Working Capital	$ 1,038,458,000	$943,121,000
Current Ratio	2.14	2.27
Shareholders' Equity	$1,817,301,000	$657,939,000

Industrial Components, Inc.

5229 Edina Industrial Boulevard
Minneapolis, Minnesota 55435
(612) 831-2666

Officers: Kenneth J. Dahlgren, president & treasurer; Ron Bump, vice president & secretary.

Directors: Kenneth J. Dahlgren, Walter M. Baker, Thomas Laitala, Frederic J. Nimis, Ronald D. Bump.

Areas of Work: Distributor of electronic components to the space, military, computer and commercial markets. Products include semiconductors, micro computer systems, connectors, capacitors, cooling fans, resistors, relays, and enclosures.

Transfer Agent(s):

First National Bank of Minneapolis
120 South 6th Street
Minneapolis, Minnesota 55402

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	16	1977	12
1979	16	1976	9
1978	15		

Plant Footage:

1980	6,500 sq. ft.	1977	3,500
1979	6,500	1976	3,500
1978	3,500		

Sales and Earnings

	Net Sales	Net Income
1980	$ 4,370,763	$ 236,573
1979	3,190,279	158,503
1978	2,018,071	90,123
1977	1,447,880	60,474
1976	1,092,400	6,093

	No. of Com. Shares	Earn. per Share
1980	234,150	$1.01
1979	234,150	0.68
1978	234,150	0.38
1977	234,150	0.26
1976	234,150	0.03

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 855,930	$3.66
1979	619,357	2.65
1978	460,854	1.97
1977	370,731	1.58
1976	310,257	1.33

Income Account *

Year ended June 30	1980	1979
Net sales	$ 4,370,763	$ 3,190,279
Cost of sales	3,273,857	2,392,350
Expenses	675,708	516,191
Other income	(30,375)	(8,265)
Income bef. taxes	$ 451,573	$ 290,003
Income taxes	215,000	131,500
Net Income	$ 236,573	$ 158,503

*Included in Costs and Expenses, Depreciation: $31,236 in 1980 and $19,419 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 174,541	$ 195,585
Accts. receiv., net	528,691	448,268
*Inventories	441,728	330,082
Prepaid expenses	5,663	6,845
Current Assets	$ 1,150,623	$ 980,780
# Fixed assets	103,540	78,653
Other assets	4,970	4,075
Total Assets	$ 1,259,133	$ 1,063,508

Liabilities

Accts. payable	$ 298,100	$ 361,187
Commissions payable	9,675	9,423
Income taxes	83,387	63,248
Other taxes	12,041	10,293
Curr. Liabilities	$ 403,203	$ 444,151
+ Common stock	23,415	23,415
Add. paid-in capital	189,718	189,718
Retained earnings	642,797	406,224
Total Liabilities & Shareholders' Equity	$ 1,259,133	$ 1,063,508

*At lower of cost (moving average) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.33	9.09
%Net Income to Sales	5.41	4.97
%Net Income to Equity	27.64	25.59
Sales to Inventories	9.89	9.67
Working Capital	$ 747,420	$ 536,629
Current Ratio	2.85	2.21
Shareholders' Equity	$ 855,930	$ 619,357

Information International, Inc.

5933 Slauson Ave.
Culver City, California 90230
(213) 390-8611

Officers: Alfred L. Fenaughty, president; Robert W. Waller, v.p.-engineering; John B. Hansen, v.p.-programming; Terry Taugner, v.p.-finance & treasurer; James C. Callaghan, v.p.-marketing; Stephen J. A'Hearn, v.p.-sales; Leroy M. Bell, v.p.-customer support.

Directors: Edward Fredkin, chairman; Alfred L. Finaughty, Robert W. Waller, Laurence S. Forham, Marvin Minsky, Oliver G. Selfridge, John McCarthy, Joseph M. Walsh, Ronald Paolucci.

Areas of Work: Manufactures, sells and rents automated-illustrated documentation systems, including text entry and edit, photograhic scanners, page layout terminals, and pagesetters.

Subsidiaries:

Information International GRAFIX Ltd.
1 Brooklands Road
Weybridge, Surrey KT13 0SD
England

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: IINT (NASDAQ)

Number of Employees:

1980	434	1977	267
1979	376	1976	266
1978	306		

Plant Footage:

1980	106,000 sq. ft.	1977	86,000
1979	86,000	1976	86,000
1978	86,000		

Sales and Earnings

	Revenues ‡	Net Income
1980	$ 21,890,109	$ 1,866,183
1979	16,058,305	1,687,718
1978	13,199,216	1,328,712
1977	15,114,513	2,006,222
1976	14,995,944	1,730,130

	No. of Com. Shares	Earn. per Share †
1980	2,692,922	$0.70
1979	2,656,116	0.64
1978	2,642,264	0.50
1977	2,631,715	0.76
1976	1,608,060	0.67

‡ Includes sales and equipment rentals.
+ Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Earn. per Share +
1980	$ 19,375,564	$7.19
1979	17,660,486	6.65
1978	16,251,514	6.15
1977	15,145,236	5.75
1976	13,017,848	4.99

Income Account *

Year ended April 30	1980	1979
Net sales	$ 15,481,258	$ 11,261,375
Equip. rentals	6,408,851	4,796,930
Total revenues	$ 21,890,109	$ 16,058,305
Cost of revenues	10,490,404	6,981,593
Expenses	8,587,468	7,149,659
Oper. profit	$ 2,812,237	$ 1,927,053
Other income	293,946	695,953
Gain on sale	—	109,712
Income before taxes	$ 3,106,183	$ 2,732,718
Income taxes	1,240,000	1,045,000
Net Income	$ 1,866,183	$ 1,687,718

* Included in Costs and Expenses, Depreciation and Amortization: $1,190,585 in 1980 and $760,544 in 1979.

Assets

As of April 30	1980	1979
Cash	$ 125,829	$ 165,865
Short-term investments	—	2,620,000
Receiv., net	2,713,562	2,243,600
* Inventories	7,946,713	6,592,670
Prepaid expenses	87,219	28,838
Current Assets	$ 10,873,323	$ 11,650,973
Marketable securities	3,206,928	3,206,928
Leased equip.	3,813,699	1,614,239
Office & mfg. facility	2,353,134	2,439,001
# Fixed assets	2,934,457	1,984,985
Total Assets	$ 23,181,541	$ 20,896,126

Liabilities

Customer advances	$ 166,239	$ 384,233
Accts. payable	730,475	916,880
Notes payable	650,000	—
Accruals	187,954	155,673
Accrued payroll	884,065	667,559
Prof. sharing	450,000	420,000
Income taxes	489,881	407,806
Product warranty	5,000	71,000
Dividend declared	242,363	212,489
Curr. Liabilities	$ 3,805,977	$ 3,235,640
+ Common stock	673,230	664,029
Add. paid-in capital	9,409,805	9,113,995
Retained earnings	9,292,529	7,882,462
Total Liabilities & Shareholders' Equity	$ 23,181,541	$ 20,896,126

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Revenues	14.19	17.02
%Net Income to Revenues	8.53	10.51
%Net Income to Equity	9.63	9.56
Working Capital	$ 7,067,346	$ 8,415,333
Current Ratio	2.86	3.60
Shareholders' Equity	$ 19,375,564	$ 17,660,486

Infrared Industries, Inc.

6307 Carpinteria Avenue
Carpinteria, California 93013
(805) 684-8181

mailing address:

P.O. Box 989
Santa Barbara, California 93102

Officers: Hamilton O. Hauck, chairman of the board, president & chief exective officer; Max J. Riedl, exec. v.p. & chief operating officer; Robert A. Bell, v.p. & gen. mgr., Eastern Div.; Ernest J. Sargeant, secretary; Roert R. Peek, treasurer; Kathryn Brandt, assistant secretary.

Directors: Hamilton O. Hauck, chairman; Michael F. Coyne, L. Walter Fleischer, Max J. Riedl, Robert A. Bell, Thomas F. Coyne.

Divisions:

Western Division
P.O. Box 989
Santa Barbara, California 93102
(805) 684-4181

Produces optical instruments, automotive exhaust gas analyzers, lenses, telescopes, mirrors, prisms, beam splitters, optical coatings, reticles, and flats; temperature-measuring medical scanning and industrial scanning radiometers; integrators, blackbodies, radiation sources, low noise instrumentation, amplifiers, transistors preamplifiers, voltage calibrators, integrators, bias supplies, modulators, infrared test consoles, and colimators.

Eastern Division
P.O. Box 42
Waltham, Massachusetts 02154
(617) 890-5400

Produces radiation detectors and filter wheels, specialized optical filters, interference filter sets and imaging source arrays, filter detectors, microcircuit electronics, dewars and infrared detector test consoles.

Transfer Agent(s):

Bank of America National Trust & Savings Association
San Francisco, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: INFR (NASDAQ)

Number of Employees:

1980	378	1977	360
1979	433	1976	400
1978	368		

Plant Footage:

1980	135,000 sq. ft.	1977	135,000
1979	135,000	1976	135,000
1978	135,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 15,596,284	$ 1,393,660
1979	11,016,892	982,421
1978	9,804,876	314,082
1977	1,016,554	772,627
1976	8,521,661	(1,304,759)

	No. of Com. Shares	Earn. per Share ‡ +
1980	1,294,858	$1.03
1979	1,294,858	0.76
1978	1,294,858	0.24
1977	1,294,858	0.60
1976	1,294,858	—

(Loss)
‡ Including extraordinary gains of $96,000 ($0.07 per share) in 1980, $435,000 ($0.34 per share) in 1979 and $152,000 ($0.12 per share) in 1978 and $360,000 ($0.28 per share) in 1977.
+ Based on the weighted average number of common shares outstanding.

Revenues By Line of Business

	1980	1979
Optics	$ 7,152,000	$ 5,733,000
Radiation electronics	8,444,000	5,284,000
Total	$ 15,596,000	$ 11,017,000

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 4,932,711	$3.81
1979	3,539,051	2.73
1978	2,556,630	1.97
1977	2,242,548	1.73
1976	1,469,921	1.14

Income Account *

Year ended April 30	1980	1979
Net sales	$ 15,596,284	$ 11,016,892
Cost of sales	10,314,806	7,715,253
Expenses	2,758,543	1,995,753
Interest expense	226,275	225,465
Income before taxes	$ 2,296,660	$ 1,080,421
Income taxes	999,000	533,000
Net Income	$ 1,297,660	$ 547,421
Extraord. credit	96,000	435,000
Net Income & extraord. credit	$ 1,393,660	$ 982,421

* Included in Costs and Expenses, Depreciation and Amortization: $346,412 in 1980 and $298,289 in 1979.

Assets

As of April 30	1980	1979
Cash	$ 679,215	$ 568,049
Accts. receiv., net	2,372,452	1,777,751
* Inventories	3,594,979	2,391,759
Prepaid expenses	77,641	98,416
Current Assets	$ 6,724,287	$ 4,835,975
10% note receiv.	225,000	225,000
# Fixed assets	2,224,584	2,033,761
Total Assets	$ 9,173,871	$ 7,094,736

Liabilities

Long-term debt, curr.	$ 150,793	$ 164,217
Accts. payable	693,567	706,663
Accruals	373,217	234,334
Accrued payroll	471,974	424,911
Accrued taxes	794,472	92,001
Curr. Liabilities	$ 2,484,123	$ 1,622,126
Long-term debt	1,752,205	1,926,749
Deferred income	4,832	6,810
+ Common stock	3,846,645	3,846,645
Add. paid-in capital	43,033	43,033
Retained earnings (deficit)	1,043,033	(350,627)
Total Liabilities & Shareholders' Equity	$ 9,173,871	$ 7,094,736

* At lower of cost (FIFO or average) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	14.73	9.81
%Net Income to Sales	8.32	4.97
%Net Income to Equity	26.31	15.47
Sales to Inventories	4.34	4.61
Working Capital	$ 4,240,164	$ 3,213,849
Current Ratio	2.71	2.98
Shareholders' Equity	$ 4,932,711	$ 3,539,051

Instron Corporation

100 Royall Street
Canton, Massachusetts 02021
(617) 828-2500

Officers: George S. Burr, chairman of the board; Harold Hindman, president; George G. Zahler, vice president-European operations and managing director of Instron Limited; Donald R. Meltzer, v.p.-finance & treasurer; Paul R. Rugo, secretary & clerk; Jeffrey L. Cohen, controller; William E. Celeste, asst. treasurer.

Directors: George S. Burr, George P. Gardner, Jr., George G. Zahler, Paul R. Rugo, John F. Betts, Nicholas J. Grant, Harold Hindman.

Areas of Work: Develops, manufactures and distributes electromechanical servohydraulic, rheometric, vibration, environmental chamber and electromagnetic resonance instruments, systems and accessories for assessing the physical and mechanical characteristics of the full spectrum of the earth's materials. The Company's product line includes instruments and systems that are microprocessor or computer controlled.

Subsidiaries:

Instron Limited
High Wycombe, Bucks, England

Instron A.G.
Zurich, Switzerland

Instron S.A.
Buc, France

Instron Japan Company, Ltd.
Canton, Massachusetts

Instron Japan Company, Ltd.
Tokyo, Japan

Instron Realty Trust
Canton, Massachusetts

Instron Pty., Ltd.
Melbourne, Australia

Instron Canada, Ltd.
Ontario, Canada

Instron, G.m.b.H.
Karlstein/Main, Germany

Instron/Lawrence Corporation
Canton, Massachusetts

Instron Export Corporation
Canton, Massachusetts

Equipamentos Cientificos Instron Ltda.
Sao Paulo, Brazil

S.C.I. Instron
Buc, France

Instron Environmental Limited
High Wycombe, Bucks, England

Instron Asia Limited
Tokyo, Japan

Transfer Agent(s):

The First National Bank of Boston
40 Morrissey Boulevard
Boston, Massachusetts 02125

Stock Exchange(s): American

Ticker Symbol: ISN

Number of Employees:

1980	955	1979	940

Plant Footage:

1980	245,000 sq. ft.	1979	245,000

Sales and Earnings

	Net Sales	Net Income †
1980	$ 58,538,000	$ 2,982,000
1979	48,817,000	4,352,000
1978	39,992,000	3,049,000
1977	28,922,000	920,000
1976	24,330,000	(59,000)

	No. of Com. Shares	Earn. per Share # †
1980	976,790	$3.07
1979	961,937	4.41
1978	945,972	3.14
1977	923,067	0.96
1976	943,476	—

(Loss)
# Based on average number of shares outstanding.
† Including extraordinary gains $207,000 ($0.21 per share) $98,000 ($0.10 per share) in 1979 and $264,000 ($0.27 per share) in 1978.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.40	—	—
1979	0.40	—	—
1978	0.30	—	—
1977	0.20	—	—
1976	0.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 22,988,000	$23.53
1979	20,261,000	21.06
1978	16,070,000	16.99
1977	13,218,000	14.32
1976	12,652,000	13.41

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 58,538,000	$ 48,817,000
Cost of sales	31,287,000	25,337,000
Expenses	21,155,000	18,131,000
Oper. profit	$ 6,096,000	$ 5,349,000
Foreign exchange loss	773,000	129,000
Interest expense	2,518,000	1,838,000
Income before taxes	$ 2,805,000	$ 3,382,000
Income taxes (credit)	30,000	(872,000)
Net Income	$ 2,775,000	$ 4,254,000
Extraord. gain	207,000	98,000
Net Income & extraord. gain	$ 2,982,000	$ 4,352,000

* Included in Costs and Expenses, Depreciation: $1,248,000 in 1980 and $1,113,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 622,000	$ 626,000
Accts. receiv., net	14,802,000	15,041,000
Refund. inc. taxes	—	490,000
*Inventories	22,087,000	20,850,000
Prepaid expenses & other assets	1,850,000	1,488,000
Current Assets	$ 39,361,000	$ 38,495,000
# Fixed assets	10,743,000	10,477,000
Other assets	553,000	522,000
Total Assets	$ 50,657,000	$ 49,494,000

Liabilities

	1980	1979
Notes payable	$ 9,523,000	$ 8,657,000
Accts. payable	3,149,000	5,023,000
Accruals	3,991,000	4,008,000
Income taxes	837,000	367,000
Advanced payments	865,000	369,000
Curr. Liabilities	$ 18,365,000	$ 18,424,000
Long-term debt	7,500,000	8,500,000
Minority interest	42,000	29,000
Deferred inc. taxes	1,762,000	2,280,000
+ Common stock	1,085,000	1,070,000
Add. paid-in capital	4,001,000	3,882,000
Retained earnings	18,509,000	15,916,000
Treasury stock	(607,000)	(607,000)
Total Liabilities & Shareholders' Equity	$ 50,657,000	$ 49,494,000

*At lower of cost or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	4.79	—
%Net Income to Sales	4.74	8.71
%Net Income to Equity	12.07	21.00
Sales to Inventories	2.65	2.34
Working Capital	$ 20,996,000	$ 20,071,000
Current Ratio	2.14	2.09
Shareholders' Equity	$ 22,988,000	$ 20,261,000

Instrument Systems Corporation

100 Jericho Quadrangle
Jericho, New York 11753
(516) 938-5544

Officers: Edward J. Garrett, chairman of the board, president & chief executive officer; Harvey R. Blau, vice chairman; Robert Balemian, v.p.-finance; Myron I. Levy, Franklin E. Farrer, Martin B. Weinberg, v.p.'s; Alice C. Reinvelt, secretary; Patrick L. Alesia, treasurer.

Directors: Bertrand Bell, Abraham Buchman, Harvey R. Blau, William N. Robertson, Turner F. Caldwell, Roy Carol, Edward J. Garrett, J. Frank Stengel, Jr., Helmuth W. Waldorf, William H. Waldorf, Daniel Freed, Samuel C. Wolfensohn.

Areas of Work: Through its electronics subsidiary, Telephonics Corporation, the company is engaged in the manufacture of advanced electronic and multiplexed communications, principally for use by commercial and military aircraft. The company also manufactures cable handling systems and submersible hydrophones.

Buildex Incorporated (81% owned), designs, manufactures and sells specialized architectural and hardware components; also fabricates specialized metal products for commercial, industrial, institutional and residential markets.

The Lightron Corporation manufactures and markets a wide range of commercial and industrial products for the lighting and home furnishings industry, including lighting fixtures, mattresses, box springs and frames, related bedroom furniture, wood moldings, synthetic fiber batting and drapery hardware.

Also produces and distributes automatic torque converters and clutches for industrial and recreational vehicles, and a line of aluminum truck bodies.

Divisions and Subsidiaries:

Benjamin Electronic Sound Co.
790 Park Avenue
Huntington, New York 11743
(516) 673-8600

Manufactures and distributes Elac magnetic cartridges. Elac/Miracord automaticturntables.

Concord Communications System Division
790 Park Avenue
Huntington, New York 11743
(516) 673-8600

Manufacturers, designs and markets home entertainment systems and industrial television products.

ISC Audio-Earth Sound Research
790 Park Avenue
Huntington, New York 11743
(516) 673-8600

Manufactures, designs and markets electronic guitar amplifiers, P.A. systems, and associated products.

ISC/Data Processing Division
789 Park Avenue
Huntington, New York 11743
(516) 549-8200

Products and services include order and invoice preparation, open order reporting, inventory control, bills of materials, accounts receivable, sales analysis,payroll, general ledgers, overhead expense reporting, etc.

Instrument Systems International, Inc.
State Road 686, kil. 0.5
Vega Baja, Puerto Rico
(809) 858-1440

Telephonics Division
770 Park Avenue
Huntington, New York 11743
(516) 549-6000

Manufactures, designs and markets multiplex service, entertainment, communications and control systems; airborne and ship data processing and display systems;counter-measures systems; aircraft and ship communications systems; acoutics, electromechanical systems; headsets and microphones.

Lightron Corporation
789 Park Avenue
Huntington, New York 11743
(516) 549-8202

Commercial lighting for offices, stores, factories; chandeliers, lamps and other residential lighting; bedding, molding, drapery hardware.

Bendix Mouldings, Inc.
Dixie Bedding Co.
Geringer and Sons Manufacturing Co.
  Grammercy Park Lighting Co.
  Auralame Mfg. Co.
  Magna Metal Finishing Co.

Laurel Lamp Manufacturing co.
O.B. Masco Drapery Hardware Company
Schiller Cordey, Inc.
Western Synthetic Felt Co.

Buildex Incorporated
789 Park Avenue
Huntington, New York 11743
(516) 549-8201

Windows, architectural metalwork, curtainwall, pipe support systems, sliding hardware; hinges, latches and institutional hardware.

Tennyson Corporation
Buildex Supply Corporation
Redco Industries
Crossly Building Products of New York
Crossly Building Products of Denver
Crossly Building Products of Miami

F & S Central
B-Line Metal Framing Corporation
Electrical Pipe Support Corp.
Grant Hardware Co.
Grandor Corp.
Standard-Keil Hardware Manufacturing Co.
Trio Industries, Inc.

Lyncoach and Truck Company
231 Bypass
Troy, Alabama 36081
(205) 566-4330

Aluminum truck bodies; aluminum walk-in truck bodies; platform bodies; carnival vans; dental and x-ray coaches and trailers; special mobile units.

Salsbury Industries
1010 East 62nd Street
Los Angeles, California 90001
(213) 232-6181

Automatic clutches and torque converters for industrial and recreational vehicles.

Transfer Agent(s):

Chemical Bank
New York, New York

Stock Exchange(s): American

Ticker Symbol: ISY

Number of Employees:

1979 4,000

Plant Footage:

1980 . . . . . . 193,000 sq. ft.

Sales and Earnings

	Net Sales ‡	Net Income #
1980	$ 150,861,000	$ (15,093,000)
1979	144,626,000	3,517,000
1978	127,991,000	1,726,000
1977	110,968,000	(13,705,000)
1976	97,339,000	(17,625,000)

	No. of Com. Shares	Earn. per Share # +
1980	31,783,311	—
1979	26,097,024	$0.12
1978	21,024,491	0.08
1977	14,198,276	—
1976	11,834,809	—

(Loss)

‡ Of continuing operations only.

Including extraordinary gains of $1,500,000 ($0.05 per share) in 1979, $750,000 ($0.03 per share) in 1978, $1,350,000 ($0.11 per share) in 1977; extraordinary loss of $676,000 in 1976.

+ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1980	1979
Home furnishings & furniture related prods	$ 42,496,000	$ 40,720,000
Fabricated structural metal prods.	12,022,000	15,128,000
Speciality hardware	49,561,000	42,216,000
Electronic comm. equipment	34,856,000	33,966,000
Other prods.	11,926,000	9,596,000
Total	$ 150,861,000	$ 144,626,000

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$ 12,908,630	$0.41
1979	22,841,310	0.88
1978	14,772,490	0.70
1977	8,857,330	0.62

‡ After allowing for preferred stock Second Series I at liquidation value.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 150,861,000	$ 144,626,000
Cost of sales	104,265,000	100,736,000
Expenses	37,278,000	31,887,000
Interest expense	7,453,000	6,672,000
Other income	(380,000)	(295,000)
Income bef. taxes	$ 2,245,000	$ 5,626,000
Income taxes	1,129,000	2,566,000
Net income bef. minority interests	$ 1,116,000	$ 3,060,000
Minority interest	415,000	458,000
Income from cont. oper.	$ 701,000	$ 2,602,000
Loss from discont. oper.	(15,794,000)	(585,000)
Net Income (Loss)	$ (15,093,000)	$ 2,017,000
Extraordinary gain	—	1,500,000
Net Income (Loss) & extraord. gain	$ (15,093,000)	$ 3,517,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,928,000 in 1980 and $3,011,000 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 5,526,000	$ 4,553,000
Accts. receiv., net	22,388,000	36,794,000
Inc. not yet billed	5,324,000	14,517,000
* Inventories	44,753,000	50,511,000
Prepaid expenses	1,597,000	1,214,000
Assets of discont. oper.	14,264,000	—
Current Assets	$ 93,852,000	$ 107,589,000
# Fixed assets	20,728,000	24,398,000
Other assets	5,840,000	4,240,000
Total Assets	$ 120,420,000	$ 136,227,000

Liabilities

Notes payable	$ 3,216,000	$ 1,676,000
Long-term debt, curr.	3,916,000	1,645,000
Accts. payable	13,947,000	17,391,000
Accruals	8,327,000	8,785,000
Curr. Liabilities	$ 29,406,000	$ 29,497,000
Long-term debt	68,693,000	69,559,000
Cap. lease oblig.	419,000	3,888,000
Minority interest	4,033,000	4,951,000
Deferred income	538,000	607,000
+ Preferred stock:		
Series A	2,000	2,000
Series I	111,000	122,000
+ Common stock	7,978,000	6,552,000
Add. paid-in capital	29,526,000	26,047,000
Retained earnings (deficit)	(17,292,000)	(2,199,000)
Treasury stock	(1,544,000)	(1,349,000)
Redempt. val. Series A pref. stock	(700,000)	(700,000)
Receiv. offset pursuant to pursuant aggreement	(750,000)	(750,000)
Total Liabilities & Shareholders' Equity	$ 120,420,000	$ 136,227,000

* At lower of cost (FIFO or average) or market.

# Less accumulated depreciation.

+ $0.25 par value.

Statistical Summary

%Net Income to Equity	—	7.28
Sales to Inventories	3.37	2.86
Working Capital	$ 64,446,000	$ 78,092,000
Current Ratio	3.19	3.65
Shareholders' Equity	$ 17,331,000	$ 27,725,000

Intel Corporation

3065 Bowers Avenue
Santa Clara, California 95051
(408) 246-7501

Officers: Gordon E. Moore, chairman of the board & chief executive officer; Robert N. Noyce, vice chairman; Andrew S. Grove, president & chief operating officer; Laurence R. Hootnick, sr. v.p.-finance & administration; Leslie L. Vadasz, sr. v.p. & dir.-corp. strategic staff; Edward L. Gelbach, sr. v.p. & gen. mgr.-Components Group; Roger S. Borovoy, v.p.-general counsel & secretary; Vaemond H. Crane, v.p. & gen. mgr., Commercial Systems Div.; Keith L. Thomson, v.p. & dir., Systems Operations; William L. Westman, v.p.-finance; Jack C. Carsten, v.p. & gen. mgr.-Microcomputer Components Div.; Ronald J. Whittier, v.p. & gen. mgr.-Memory Components Div.; Eugene J. Flath, v.p. & asst. gen. mgr., Components Group; William H. Davidow, sr. v.p. & dir., corp. marketing; Willard L. Kauffman, v.p. & dir., components production; Gerhard H. Parker, v.p. & dir.-technology development; Henry M. O'Hara, v.p. & dir., sales.

Directors: Arthur Rock*, Edward L. Gelbach, Andrew S. Grove, D. James Guzy, Richard Hodgson, Sanford Kaplan, Gordon E. Moore*, Robert N. Noyce*, Max Palevsky, Charles E. Young, Harry A. Steinberg.

*Member of Executive Committee.

Areas of Work: Engaged in the design, development, manufacture and sale of LSI (large scale integrated) semiconductor components and systems incorporating these components.

Memory Systems Division
1302 N. Mathilda Avenue
Sunnyvale, California 94086
(408) 734-8102

Components Division
Santa Clara, California

Microcomputer Components Division
Santa Clara, California

Divisions:

Microcomputer Systems Division
Santa Clara, California

Commercial Systems Division
Phoenix, Arizona

Acquisition(s):

MRI Systems Corporation (Feb. 1979)
Austin, Texas

Software for data base management.

Transfer Agent(s):

Wells Fargo Bank
San Francisco, California

Wells Fargo Securities
Clearance Corp.
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: INTC (NASDAQ)

Number of Employees:

1980	15,900	1977	8,100
1979	14,300	1976	7,347
1978	10,900		

Sales and Earnings

	Net Revenues	Net Income
1980	$ 854,561,000	$ 96,741,000
1979	660,984,000	77,804,000
1978	399,390,000	44,314,000
1977	282,549,000	31,716,000
1976	225,979,000	25,214,000

	No. of Capital Shares +	Earn. per Share #
1980	42,736,000	$2.21
1979	41,384,000	1.85
1978	39,832,000	1.08
1977	38,692,000	0.80
1976	37,902,000	0.63

+ Adjusted to reflect stock splits.
# Based on weighted average number of capital shares and capital share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	2-for-1
1979	—	—	3-for-2
1978	—	—	5-for-4
1977	—	—	—
1976	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 432,860,000	$10.13
1979	303,189,000	7.33
1978	205,062,000	5.15
1977	148,942,000	3.85
1976	109,460,000	2.89

# Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net revenues	$ 854,561	$ 660,984
Cost of sales	399,438	313,106
Expenses	272,003	198,709
Interest expense (income)	(2.209)	121
Income before taxes	$ 185,329	$ 149,048
Income taxes	88,588	71,244
Net Income	$ 96,741	$ 77,804

* Included in Costs and Expenses, Depreciation: $48,983,000 in 1980 and $40,375,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash & cash equiv.	$ 15,642	$ 19,846
Short-term invest.	112,039	14,305
Accts. receiv., net	195,644	139,177
* Inventories	91,401	78,733
Prepaid inc. taxes & other assets	31,883	30,641
Current Assets	$ 446,609	$ 282,702
# Fixed Assets	320,559	217,391
Total Assets	$ 767,168	$ 500,093

Liabilities
(000's)

Notes payable	$ 11,844	$ 19,124
Accts. payable	30,350	29,972
Accruals	39,902	34,105
Deferred income	46,033	41,644
Profit sharing accrual	15,250	8,100
Income taxes	3,892	34,949
Curr. Liabilities	$ 147,271	$ 167,894
7% convert. subord. deben.	150,000	—
Deferred inc. taxes	23,266	18,866
Investment tax credits	13,771	10,144
+Capital stock	127,979	95,049
Retained earnings	304,881	208,140
Total Liabilities & Shareholders' Equity	$ 767,168	$ 500,093

* At lower of cost (FIFO & currently adjusted standard basis) or market.
‡ Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Revenues	21.69	22.55
%Net Income to Revenues	11.32	11.77
%Net Income to Equity	22.35	25.66
Working Capital	$ 299,338,000	$ 114,808,000
Current Ratio	3.03	1.68
Shareholders' Equity	$ 432,860,000	$ 303,189,000

Intercontinental Dynamics Corporation

170 Coolidge Avenue
P.O. Box 81
Englewood, New Jersey 07631
(201) 567-3600

Officers: Sam Sharko, president & treasurer; John H. Andersen, Jr., Frederick M. Winnai, vice presidents; Ethel C. Lebherz, secretary.

Directors: Stuart A. Jackson, Ethel C. Lebherz, Sam Sharko, Frederick M. Winnai.

Areas of Work: Develops, fabricates and tests aircraft flight instruments and systems. Among the Company's products are portable air data testers, altimeters, air data computers, encoding altimeters, altitude alerters, digital altitude indicators, static air temperature indicators, SAT/TAS indicators, vertical speed indicators, cabin pressurization systems, and altitude controllers.

Transfer Agent(s):

Registrar and Transfer Company
34 Exchange Place
Jersey City, N.J. 07302

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ICDY (NASDAQ)

Number of Employees:

1980	350	1977	200
1979	280	1976	200
1978	240		

Sales and Earnings

	Net Sales	Net Income
1980	$ 18,643,601	$ 1,066,926
1979	14,240,513	840,820
1978	12,151,691	679,333
1977	10,400,897	588,004
1976	8,225,015	421,001

	No. of Com. Shares #	Earn. per Share #
1980	940,473	$1.13
1979	940,473	0.89
1978	940,473	0.72
1977	940,473	0.62
1976	940,473	0.45

# Based on average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.10	—	—
1979	0.07	—	—
1978	0.05	—	—

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 6,029,519	$6.41
1979	5,056,641	5.38
1978	4,281,654	4.55
1977	3,649,344	3.88
1976	3,061,340	3.26

# Based on the average number of shares outstanding.

Income Account *

Year ended June 30	1980	1979
Net Sales	$ 18,643,601	$ 14,240,513
Cost of sales	12,899,826	9,737,793
Expenses	3,094,667	2,550,973
Interest expense	663,527	354,424
Income before taxes	$ 1,985,581	$ 1,597,323
Income taxes	918,655	756,503
Net Income	$ 1,066,926	$ 840,820

* Included in Costs and Expenses, Depreciation and Amortization: $89,213 in 1980 and $72,190 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 104,232	$ 145,176
Accts. receiv., net	2,724,741	2,036,285
* Inventories	11,786,744	7,132,204
Prepaid expenses	83,082	65,041
Current Assets	$ 14,698,799	$ 9,378,706
# Fixed assets	582,468	461,201
Defer. charges & other assets	106,205	92,979
Total Assets	$ 15,387,472	$ 9,932,886

Liabilities

Notes & loans payable	$ 3,488,346	$ 977,041
Accts. & notes payable	2,894,772	864,505
Accruals	878,813	631,013
Income taxes	280,376	74,694
Curr. Liabilities	$ 7,542,307	$ 2,547,253
Long-term debt:		
6% Conv. subord. deb.	190,646	328,992
Notes & loans	1,625,000	2,000,000
* Common stock	94,047	94,047
Add. paid-in capital	1,231,736	1,231,736
Retained earnings	4,703,736	3,730,858
Total Liabilities & Shareholders' Equity	$ 15,387,472	$ 9,932,886

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.65	11.22
%Net Income to Sales	5.72	5.90
%Net Income to Equity	17.70	16.63

Sales to Inventories	1.58	2.00
Working Capital	$ 7,156,492	$ 6,831,453
Current Ratio	1.95	3.68
Shareholders' Equity	$ 6,029,519	$ 5,056,641

Interdyne Company

14761 Califa Street
Van Nuys, California 91411
(213) 787-6800

Officers: William M. Ballon, chairman of the board & secretary; T.D. Caswell, president & treasurer; Richard A. Lewis, William K. Geist, v.p.'s; John D. Marsh, controller & asst. treasurer; Gwen A. McCracken, asst. secretary.

Directors: T.D. Caswell*, William M. Ballon*, Richard A. Lewis, Mitchell B. Howe, F. George Humiston*, Melvin Simmonds.

*Member of Executive Committee.

Areas of Work: Designs, manufactures and markets a line of electronic panels for integrated circuit packaging under the trade name ADEPT; and designs, manufactures and markets-proprietary digital tape drives and terminals under the trade name INTERCETTE. Also designs, manufactures and markets a line of IC logic panels and accessories for the computer peripheral industry. Interdyne's products are used in the computer peripheral, telecommunications and computer industries.

Transfer Agent(s):

Universal Stock Transfer Co.
Woodland Hills, California 91364

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	30	1978	25
1979	25	1977	30

Plant Footage:

1980	6,611 sq.ft.	1978	8,460
1979	8,460	1977	8,460

Sales and Earnings

	Net Sales	Net Income
1980	$ 1,331,292	$ 2,571
1979	1,046,837	(48,088)
1978	965,247	(58,287)
1977	1,408,844	(130,175)
1976	1,500,193	(159,658)

	No. of Com. Shares	Earn. per Share
1980	1,722,018	—
1979	1,722,018	—
1978	1,722,018	—
1977	1,722,018	—
1976	1,722,018	—

(Loss)

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 147,581	$0.09
1979	145,010	0.08
1978	193,098	0.11
1977	251,385	0.15
1976	381,560	0.22

Income Account *

Year ended Oct. 31	1980	1979
Net sales	$ 1,331,292	$ 1,046,837
Cost of sales	854,737	723,165
Expenses	263,409	270,352
Research & devel.	164,249	84,675
Interest expense	34,045	16,333
Write-down of equip.	11,881	—
Income (loss) before taxes	$ 2,971	$ (47,688)
Income taxes	400	400
Net Income (Loss)	$ 2,571	$ (48,088)

* Included in Costs and Expenses, Depreciation and Amortization: $46,804 in 1980 and $29,894 in 1979.

Assets

As of Oct. 31	1980	1979
Cash	$ 14,783	$ 8,783
Accts. receiv., net	202,585	201,008
*Inventories	170,949	225,159
Prepaid expenses	3,668	4,432
Current Assets	$ 391,985	$ 439,382
# Fixed assets	46,828	80,263
Other assets	4,537	9,112
Total Assets	$ 443,350	$ 528,757

Liabilities

Notes payable	$ 140,000	$ 165,000
Long-term debt, curr.	12,395	12,395
Accts. payable	81,607	123,727
Accruals	19,028	38,775
Accrued payroll	37,489	26,206
Curr. Liabilities	$ 290,519	$ 366,103
Long-term lease liabilities	5,250	17,644
+ Common stock	430,505	430,505
Add. paid-in capital	221,854	221,854
Retained earnings (deficit)	(504,778)	(507,349)
Total Liabilities & Shareholders' Equity	$ 443,350	$ 528,757

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.22	—
%Net Income to Sales	0.19	—
%Net Income to Equity	1.74	—
Sales to Inventories	7.79	4.65
Working Capital	$ 101,466	$ 73,279
Current Ratio	1.35	1.20
Shareholders' Equity	$ 147,581	$ 145,010

Interface Mechanisms, Inc.

4405 Russell Road
P.O. Box N
Lynnwood, Washington 98036
(206) 743-7036

Officers: David C. Allais, president; Ivan G. Hastler, vice president & treasurer; William H. Gates, secretary.

Directors: M. Ray Dilling, chairman; David C. Allais, David B. Pivan, Robert E. Rawlins, Steve Sarich, Jr., Edward F. Tuck.

Areas of Work: Involved in the developing, manufacturing and marketing of machines and devices used for precision printing of bar code, OCR, and other images, and light pen reading.

Affiliates:

Intermec France S.A.
Paris, France

Intermec GmbH
Munich & Frankfurt,
West Germany

Intermec Strichcode AG
Zurich, Switzerland

Transfer Agent(s):

Seattle-First National Bank
Corporate Trust Department
P.O. Box 24186
Seattle Washington 98124

Stock Exchange(s): Over-the-Counter

Ticker Symbol: INTR (NASDAQ)

Number of Employees:

1981	300	1978	78
1980	240	1977	45
1979	220		

Plant Footage:

1981	75,000 sq.ft.	1978	32,000
1980	32,000	1977	13,000
1979	32,000		

Sales and Earnings

	Net Revenues #	Net Income +
1981	$ 15,636,043	$ 1,678,548
1980	10,164,439	862,776
1979	6,716,236	1,051,816
1978	2,623,191	495,145
1977	1,668,293	237,899

	No. of Com. Shares	Earn per Share +
1981	2,150,127	$0.84
1980	1,894,677	0.45
1979	1,888,277	0.56
1978	1,683,277	0.27
1977	1,672,777	0.14

# Includes revenue from product sales, engineering services and job shop.
+ Including extraordinary gains of $19,458 ($0.01 per share) in 1979, $226,250 ($0.12 per share) in 1978, $103,236 ($0.06 per share) in 1977.

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 8,637,945	$4.02
1980	3,447,797	1.82
1979	2,548,883	1.35
1978	985,481	0.59
1977	481,511	0.29

Income Account *

Year ended	3/31/81	3/28/80
Net Revenues	$ 15,636,043	$ 10,164,439
Cost of sales	8,132,569	5,614,797
Expenses	4,533,880	2,970,975
Interest expense	(131,081)	(120,891)
Income before taxes	$ 2,943,548	$ 1,457,776
Income Taxes	1,265,000	595,000
Net Income	$ 1,678,548	$ 862,776

* Included in Costs and Expenses, Depreciation and Amortization: $150,946 in 1981 and $108,667 in 1980.

Assets

As of	3/31/81	3/28/80
Cash	$ 66,379	$ 61,196
Short-term investment	2,321,449	—
Accts. receiv., net	3,750,089	2,940,310
Receiv. from emp.	—	—
*Inventories	4,640,223	3,591,243
Prepaid expenses	26,022	28,736
Current Assets	$ 10,804,162	$ 6,621,485
# Fixed assets	889,804	507,731
Other assets	119,474	95,360
Total Assets	$ 11,813,440	$ 7,224,576

Liabilities

Notes payable & accrued interest	$ 155,792	$ 1,800,348
Accts. payable	1,150,385	851,585
Accrued taxes	148,929	101,013
Accrued payroll	711,771	433,909
Other liabilities	302,082	211,321
Inc. taxes payable	650,536	357,214
Curr. Liabilities	$ 3,119,495	$ 3,755,390
Deferred inc.taxes	56,000	21,389
+ Common stock	1,253,288	997.838
Add.paid-in capital	5,167,372	1,911,222
Retained earnings	2,217,285	538,737
Total Liabilities & Shareholders' Equity	$ 11,813,440	$ 7,224,576

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Revenues	18.83	14.34
%Net Income to Revenues	10.74	8.49
%Net Income to Equity	19.43	25.02
Working Capital	$ 7,684,667	$ 2,866,095
Current Ratio	3.46	1.76
Shareholders' Equity	$ 8,637,945	$ 3,447,797

Intermark, Inc.

1020 Prospect Street, Suite 210
P.O. Box 1149
La Jolla, California 92038
(714) 459-3841

Officers: Charles R. Scott, president and chief executive officer; Robert J. Barrett, v.p. and chief administrative officer; Frank C. Alexander, v.p. and chief financial officer; Kraig W. Kramers, group v.p.; Mitchell R. Woodbury, v.p. and corporate counsel; Catherine J. Chase, corporate secretary; Robert F. Milliken, controller; Sandra J. Fry, administrative asst.

Directors: Clark A. Johnson, Gordon C. Luce, John C. Monday, Charles R. Scott, Thomas N. Warner.

Areas of Work: Intermark is a conglomerate composed of six California-based subsidiaries with products and services ranging from electronics to landscaping to transportation.

Divisions and Subsidiaries:

Topaz Electronics (64% owned)
3855 Ruffin Road
San Diego, Caifornia 92123
(714) 279-0111

Manufactures and markets electronic power conversion equipment; electronic noise suppression equipment; uninterruptible power systems, and AC power conditioners.

Keystone Products, Inc.
1333 South Bon View Avenue
Ontario, California 91761
(714) 983-3581

Engages in the development, manufacture and sale of custom wheels for the automotive market.

Arts & Crafts Press
1949 West Walnut Street
San Diego, California 92112
(714) 297-0261

Designs and produces fine quality commercial and publication printing, both offset and letterpress.

Nurseryland Garden Centers, Inc.
3132 Jefferson Street
San Diego, California 92110
(714) 291-2141

Grows and retails plants and related decorative products for the home, patio, and garden through major garden centers.

Bradston Hurricane International
131 West 33rd Street
National City, California 92050
(714) 474-6656

Manufacturer and importer of casual furniture for use in homes and Institutional establishments.

Anthem Electronics (52% owned)
174 Component Drive
San Jose, California 95131
(408) 946-8000

Distributes high technology semiconductor products, primarly to original equipment manufacturers of electronic hardware.

Franklin Press
1001 South Arrowhead Avenue
San Bernardino, California 92408
(714) 889-9773

A commercial printer serving the Los Angeles area.

Superior Transmed
14700 South Spring Avenue
Santa Fe Springs, California 90670
(213) 921-6778

Supplies paramedical vehicles and associated medical equipment in 10 Western States.

Transfer Agent(s):

United California Bank

Stock Exchange(s): American

Ticker Symbol: IMI

Number of Employees:

1980	1,428	1978	1,184
1979	1,583	1977	922

Sales and Earnings

	* Net Revenues ‡	* Net Income #
1980	$ 107,476,000	$ 7,856,000
1979	90,069,000	2,542,000
1978	61,448,000	1,882,000
1977	43,844,000	111,000
1976	33,643,000	443,000

	No. of Com. Shares †	Earn. per Share # †
1980	1,864,000	$4.21
1979	1,764,000	1.44
1978	1,706,000	1.10
1977	1,706,000	0.07
1976	1,707,000	0.26

‡ Of continuing operations only.
# Including extraordinary gains of $746,000 ($0.44 per share) in 1978, $134,000 ($0.08 per share) in 1977 and $238,000 ($0.14 per share) in 1976.
† Based on weighted average number of shares outstanding adjusted to reflect stock dividends and stock split.

Revenues By Line of Business

	1980	1979
Arts & Crafts Press	$ 6,823,000	$ 5,634,000
Authem Electronics, Inc.	34,537,000	20,574,000
Keystone Products, Inc.	18,884,000	29,214,000
Nurseryland Garden Centers, Inc.	12,832,000	10,998,000
Topaz Electronics	21,231,000	14,835,000
Bradston Hurricane Int'l.	8,794,000	6,565,000
Superior Trans-Med & subsid.	1,157,000	—

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1980	$0.133	10% & 10%	3-for-2
1979	0.082	—	—
1978	0.03	—	—

† Adjusted to reflect stock dividends and stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 21,111,139	$11.33
1979	11,528,277	6.54
1978	8,357,730	4.90
1977	6,472,986	3.79

† Based on weighted average number of shares outstanding adjusted to reflect stock dividends and stock split.

Income Account *

Year ended March 31	1980	1979
Net sales	$ 105,121,620	$ 88,907,798
Other income	2,354,387	1,161,190
Total income	$ 107,476,007	$ 90,068,988
Cost of sales	72,617,675	61,873,770
Expenses	23,731,815	19,249,606
Depreciation & amortization	1,621,973	1,312,945
Interest expense	3,197,256	2,011,486
Other charges	31,925	284,310
Income before taxes	$ 6,275,363	$ 5,336,871
Income taxes	2,847,394	2,795,000
Minority interest	643,412	—
Eq. in inc. of subsid.	(314,863)	—
Gain from sale of stock	(4,756,614)	—
Net Income	$ 7,856,034	$ 2,541,871

Assets

As of March 31	1980	1979
Cash	$ 7,460,436	$ 2,546,811
Receiv., net	19,778,522	18,301,807
* Inventories	23,474,642	18,815,779
Other assets	2,020,458	1,138,211
Deferred taxes	1,086,964	605,729
Invest. in leases	448,486	—
Current Assets	$ 54,269,508	$ 41,408,337
Long-term receivables	643,299	639,300
# Fixed assets	13,592,268	9,647,901
Other assets	7,353,208	2,051,435
Total Assets	$ 75,858,283	$ 53,746,973

Liabilities

Notes payable	$ 3,115,769	$ —
Long-term debt, curr.	444,551	1,099,360
Accts. payable	8,045,883	11,778,207
Accruals	3,590,814	3,590,814
Income taxes	1,185,316	2,263,845
Cap. lease oblig.	553,593	436,486
Curr. Liabilities	$ 17,202,751	$ 19,168,712
Log-term debt	23,277,963	15,644,573
Cap. lease oblig.	5,337,284	4,859,173
Deferred inc.	972,473	1,058,709
Other liabilities	2,122,445	1,487,529
Minority interest	5,834,228	—
+ Common stock	6,423,477	3,904,410
Add. paid-in capital	5,956,765	1,883,025
Retained earnings	8,730,897	5,740,842
Total Liabilities & Shareholders' Equity	$ 75,858,283	$ 53,746,973

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $3 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.97	6.00
%Net Income to Sales	7.47	2.86
%Net Income to Equity	37.21	22.05
Sales to Inventories	4.48	4.73
Working Capital	$ 37,066,757	$ 22,239,625
Current Ratio	3.15	2.16
Shareholders' Equity	$ 21,111,139	$ 11,528,277

International Business Machines Corporation

Old Orchard Road
Armonk, New York 10504
(914) 765-1900

Officers: Frank T. Cary, chairman of the board; John R. Opel, president; George B. Beitzel, Paul J. Rizzo, Jacques G. Maisonrouge, Ralph A. Pfeiffer, Jr., Dean R. McKay, sr. v.p.'s; Nicholas deB. Kazenbach, sr. v.p. & general counsel; Dean P. Phypers, sr. v.p.-finance & planning; John F. Akers, Arthur G. Anderson, Clarence B. Rogers, Jr., v.p.'s & group executives; John F. Bertram, C. Michael Armstrong, James A. Bitonti, Jack D. Kuehler, Terry R. Lautenbach, Thomas M. Liptak, Charles P. Biggar, Lewis M. Branscomb, Walton E. Burdick, Kaspar V. Cassani, Frank J. Cummiskey, Wallace C. Doud, Robert B. Dunlop, Bob O. Evans, P. Martin Foley, Ralph E. Gomory, Jerrier A. Haddad, John B. Jackson, Allen J. Krowe, Charles E. McKittrick, Jr., Theodore C. Papes,Jr., William W. Eggleston, Francis G. Rogers, Victor J. Goldberg, David E. McKinney, John F. Williams, J. Richard Young, v.p.'s; C. Arthur Northrop, treasurer; James J. Forese, controller; John H. Grady, secretary; Bruce E. Langton, David A. Finley, asst. treasurers; Wallace R.DuBois. Harry L. Kavetos, John H. Steward, asst. controllers.

Directors: Stephen D. Bechtel, Jr., George B. Beitzel, Frank T. Cary*, William T. Coleman, Jr., John M. Fox, G. Keith Funston*, Carla Anderson Hills, Amory Houghton, Jr.*, Nicholas deB. Katzenbach, T. Vincent Learson*, Maersk McKinney Moller, William H. Moore*, John R. Opel*, Dean R. McKay, J. Richard Munro, Paul J. Rizzo, Albert L. Williams, William W. Scranton, John N. Irwin II, Irving S. Shapiro*, Richard W. Lyman, Cyrus R. Vance, Thomas J. Watson, Jr.*, James E. Burke.

*Member of Executive Committee.

Divisions:

Federal Systems Division
Concentrates on advanced technology and systems for the ground-based, seaborne,airborne and spaceborne information-handling systems and control needs of the U.S. Goverment.

Data Processing Division
Markets within the United States, IBM's information handling systems, equipment, computer programming, systems engineering, education, custom contracts and other related services.

General Systems Division
Worldwide development and U.S. manufacturing, marketing and service responsibility for low-to-moderate-price information-handling sysems, and associated peripheral equipment, including system related programming support.

Field Engineering Division
Services IBM information-handling systems and equipment, and provides support for programming systems.

Office Products Division
Develops, manufactures, markets and services electric typewriters, magnetic media typewriters input processing equipment, direct-impression composing products,copying equipment, and related supplies.

Real Estate and Construction Division
Arranges for the construction, purchasing or leasing of new company facilities.
Research Division
Basic research and development of technologies.

Information Records Division
Markets disk packs and data modules; manufactures and markets data processing cards, magnetic tape and cards, business forms and other consumable products usedin information-handling systems.

General Products Division
Worldwide development and United States manufacturing responsibility for computer tape units, disk files and printers.

Systems Communications Division
Worldwide development and U.S. manufacturing responsibility for communications equipment, terminal products and related communications technologies and programming.

Information Systems Division
Worldwide product management and development and U.S. manufacturing of low to moderate price information handling systems including electric typewriters, copiers, information distributors, and other office products.

General Business Group/International Division
Marketing, service, manufacturing and overall performance responsibility for general systems and office products operations in 21 countries in Europe, the Americas, and the Far East.

Data Systems Division
Worldwide development responsibility for large, complex systems, with primary emphasis on high-performance products and associated programming, plus U.S. manufacturing responsibility for those systems. Also supplies computer components, including logic and selected memory technologies, used in products that it and other IBM divisions manufacture in the U.S.

System Products Division
Worldwide development and United States manufacturing responsibility for central processor products including main storage, logic technologies, packaging technology, channels and cables, development and implementation of advanced design and manufacturing support systems.

General Technology Division
Worldwide development and United States manufacturing responsibility for the component technology requirements of the low-to-moderate price computer made by the General Systems Division and products of the Office Products Division.

Subsidiaries:

IBM World Trade Corporation
Conducts IBM's business outside the United States directly or through its subsidiaries.

Science Reseach Associates, Inc.
Develops, produces and markets textbooks, educational kits, learning systems, guidance products and testing materials and services for elementary and secondary schools, colleges, and industry.

IBM World Trade Americas/Far East Corporation
Conducts IBM's business in 44 counries, including Australia, Brazil, Canada, and Japan.

IBM World Trade Europe/Middle East Africa Corporation

Responsible for IBM operations in 77 countries, including the USSR, and the Eastern European countries.
DiscoVision Associates (joint venture with MCA)
Manufacture of video discs for home entertainment and industrial education.

Transfer Agent(s):

International Business Machines Corporation
Stockholder Relations Department
717 Fifth Avenue
New York, New York 10022

One IBM Plaza, 21st Floor
Chicago, Illinois 60611

Trust General du Canada
10 St. James Street West
Montreal, Quebec, Canada H2Y 1L4

National Trust Company, Limited
21 King Street East
Toronto, Ontario, Canada M5C 1B3

Stock Exchange(s): New York, Phil-Balt-Wash, Pacific, Midwest, Cincinnati, Boston, Montreal, Toronto, Austria, Belgium, England, France, Japan, Switzerland, The Netherlands, W. Germany.

Ticker Symbol: IBM

Number of Employees:

1980	341,000	1977	310,155
1979	337,119	1976	291,977
1978	325,517		

Sales and Earnings

	Gross Income ‡	Net Income
1980	$26,213,000,000	$3,562,000,000
1979	22,862,776,000	3,011,259,000
1978	21,076,089,000	3,110,568,000
1977	18,133,184,000	2,719,414,000
1976	16,304,332,989	2,398,093,117

	No. of Com. Shares †	Earn. per Share +
1980	583,806,832	$6.10
1979	583,594,543	5.16
1978	583,241,454	5.32
1977	589,883,503	4.58
1976	602,778,192	3.99

‡ Includes sales, services and rentals.
† Adjusted to reflect stock split.
+ Based on the average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend†	Stock Dividend	Stock split
1980	$3.44	—	—
1979	3.44	—	4-for-1
1978	2.88	—	—
1977	2.50	—	—
1976	2.00	—	—

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$16,453,000,000	$28.18
1979	14,961,235,000	25.64
1978	13,493,610,000	23.14
1977	12,618,473,000	21.39
1976	12,749,287,480	21.15

‡ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 10,919,000	$ 9,472,649
Rentals & services	15,294,000	13,390,127
Total income	$ 26,213,000	$ 22,862,776
Cost of sales	4,197,000	3,266,605
Cost of rentals & services	5,952,000	5,146,353
Expenses	10,324,000	9,205,367
Other income	(430,000)	(449,295)
Interest on debt	273,000	140,487
Income before taxes	$ 5,897,000	$ 5,553,259
Income taxes	2,335,000	2,542,000
Net Income	$ 3,562,000	$ 3,011,259

* Included in Costs and Expenses. Depreciation: $2,362,000,000 in 1980 and $1,970,248,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 281,000	$ 298,000
Marketable securities	1,831,000	3,473,000
Notes & accts. receiv., net	4,877,000	4,671,000
* Inventories	2,293,000	1,842,000
Prepaid expenses	643,000	567,000
Current Assets	$ 9,925,000	$ 10,851,000
# Fixed assets	15,017,000	12,193,000
Investments & other assets	1,761,000	1,486,000
Total Assets	$ 26,703,000	$ 24,530,000

Liabilities
(000's)

Taxes	$ 2,369,000	$ 2,365,000
Loans payable	591,000	933,000
Accts. payable	721,000	682,000
Compens. & benefits	1,404,000	1,217,000
Deferred income	305,000	233,000

Other accruals	1,136,000	1,015,000
Curr. Liablities	$ 6,526,000	$ 6,445,000
Long-term debt	2,099,000	1,589,000
Deferred invest. tax credit	182,000	140,000
Reserves	1,443,000	1,395,000
+ Common stock	3,992,000	3,974,000
Retained earnings	12,491,000	11,012,000
Treasury stock	(30,000)	(25,000)
Total Liabilities & Shareholders' Equity	$ 26,703,000	$ 24,530,000

* At lower of average cost or market.
# Less accumulated depreciation.
+ $1.25 par value.

Statistical Summary

%Income bef. Taxes to Sales, Services & Rentals	22.50	24.29
%Net Income to Sales Services & Rentals	13.59	13.17
%Net Income to Equity	21.65	20.13
Working Capital	$3,399,000,000	$4,405,877,000
Current Ratio	1.52	1.68
Shareholders' Equity	$16,453,000,000	$14,961,235,000

International Controls Corp.

P.O. Box 3010
5499 North Federal Highway
Boca Raton, Florida 33432
(305) 997-7400

Officers: William H. Burgess, chairman; John Mosler, vice chairman; Elmer A. Sticco, president & chief executive officer; Jay H. Harris, exec. v.p. & chief operating officer; George L. Hebert, v.p. & treasurer; William C. Ragals, Jr., v.p.-(legal) & secretary; Michael R. Rossi, & Farrell W. Brodie, group v.p.'s; Thomas W. Horan, controller.

Directors: Charles S. Desmond, Bernard Fein, H. Struve Hensel, John Mosler, William H. Burgess, Philip R. Gustlin, Jay H. Harris, Michael R. Rossi, Jr., Elmer A. Sticco.

Subsidiaries:

All American Industries, Inc. (81% interest)
Boca Raton, Florida

Develops and manufactues electromechanical actuators and related components, precision forgings for military and civilian aircraft, bomb bodies and missile motor casings, and aircraft arresting gear. Also manufactures high voltage transmission towers.

All American Engineering Company
Bafab-Safeland Ltd.
Anchor Metals, Inc.
Intercontinental Manufacturing Company, Inc.
AAI International Ltd.

Datron Systems, Inc.
Boca Raton, Florida

Produces microwave components for communications and military uses; electro-mechanical relays used in communication, weapons, and radar. Manufactures special electric motors and motor generator sets for the military and business, and an energy conserving steam trap.

Nicholson Division
EEMCO Division
Electronic Specialty Division
Elektro-Metall Export GmbH
Tech Systems Corp.

Transfer Agent(s):

Continental Stock Transfer & Trust Company
19 Rector Street
New York, New York 10006

Stock Exchange(s): American, Pacific

Ticker Symbol: INC

Number of Employees:

1980	2,100	1977	1,673
1979	2,000	1976	1,810
1978	1,877		

Plant Footage:

1980 . . . . . . 1,329,000 sq. ft.

Sales and Earnings

	Net Sales †	Net Income ‡
1980	$117,907,201	$ 12,609,719
1979	89,256,135	4,580,350
1978	79,585,254	5,976,984
1977	75,483,047	(5,387,807)
1976	73,065,694	4,039,574

	No. of Com. Shares #	Earn. per Share ‡
1980	4,876,766	$2.58
1979	4,937,555	0.93
1978	4,913,344	1.22
1977	4,805,283	—
1976	4,731,806	0.85

(Loss)
† Of continuing operations only.
‡ Including extraordinary loss of $8,163,868 in 1977 and extraordinary gains of $5,423,987 ($1.11 per share) in 1980, $399,750 ($0.08 per share) in 1979, $2,254,000 ($0.46 per share) in 1978 and $2,103,609 ($0.44 per share) in 1976.
# Based on the average number of shares outstanding adjusted to reflect stock dividend.

Revenues By Line of Business
(000's)

	1980	1979
Aerospace:		
Electro-mec. components	$ 23,822	$ 19,039
Bomb bodies	6,942	6,971
Missile motor casing	4,705	4,537
Forgings	7,366	6,494
Arresting gear	12,376	8,114
Electrical/electronics:		
Relays	7,433	5,140
Microwave waveguide & components	14,582	9,158
Power conversion products	6,279	6,391
Energy-related:		
Steam traps	4,421	4,532
Transmission	26,120	15,082
Other	3,861	3,798
Total	$ 117,907	$ 89,256

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	5-for-4†

† Authorized Jan., 1981

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 30,875,273	$8.26
1979	23,974,660	4.85
1978	19,492,565	3.96
1977	13,454,761	2.76
1976	18,743,884	3.96

‡ Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$117,907,201	$ 89,256,135
Cost of sales	88,540,054	67,350,931
Expenses	14,017,449	11,568,300
Interest expense	837,693	1,052,470
Other charges (income)	(163,584)	1,000,821
Income before taxes	$ 14,675,589	$ 8,283,613
Income taxes	6,808,000	3,869,000
Minority interest	681,857	234,013
Net Income	$ 7,185,732	$ 4,180,600
Extraord. gain	5,423,987	399,750
Net Income & extraord. gains	$ 12,609,719	$ 4,580,350

* Included in Costs and Expenses, Depreciation and Amortization: $2,489,776 in 1980 and $2,237,149 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 8,309,124	$ 5,427,029
Accts. & notes receiv., net	14,788,461	11,385,851
* Inventories	26,110,786	24,328,523
Deferred inc. taxes	1,168,630	1,300,081
Prepaid expenses	1,329,947	415,456
Current Assets	$ 51,706,948	$ 42,856,940
Time deposit	2,475,000	2,475,000
# Fixed assets	17,269,821	14,307,339
Other assets	1,491,923	379,358
Invested funds— restr. for plant construc.	455,196	—
Debt issue	171,972	200,628
Intangibles	7,239,454	7,268,954
Total Assets	$ 80,810,314	$ 67,488,219

Liabilities

Long-term debt, curr.	$ 2,645,223	$ 2,411,088
Lease payments, curr.	145,401	148,922
Accts. payable	6,343,111	4,828,210
Accruals	7,294,879	6,980,001
Income taxes	8,840,631	4,696,086
Curr. Liabilities	$ 25,269,245	$ 19,064,307
Long-term debt	17,239,538	18,326,576
Lease payments	1,745,397	1,847,260
Minority interest	3,375,360	2,689,513
Deferred income	2,305,501	1,585,903
+ Common stock	373,913	395,590
Add. paid-in capital	33,718,011	39,405,440
Retained earnings (deficit)	(3,216,651)	(15,826,370)
Total Liabilities & Shareholders' Equity	$ 80,810,314	$ 67,488,219

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.45	9.28
%Net Income to Sales	6.09	4.68
%Net Income to Equity	23.27	17.44
Sales to Inventories	4.52	3.67
Working Capital	$ 26,437,703	$ 23,792,633
Current Ratio	2.05	2.25
Shareholders' Equity	$ 30,875,273	$ 23,974,660

International Rectifier Corporation

9220 Sunset Boulevard
Los Angeles, California 90069
(213) 278-3100

Officers: Eric Lidow, president and chairman of the board; Leon Lidow, senior v.p.; Melvin Hochberg, exec.v.p.-pharmaceuticals; Robert J. Mueller, exec.v.p.-world marketing & foreign operations; Gerald A. Koris, v.p., secretary and general counsel; William W. McCandless, v.p.-metallurgical; George H. Krause,v.p.-finance & treasurer.

Directors: Eric Lidow, Leon Lidow, Warren B. Hayes, Trude C. Taylor, George Krsek.

Areas of Work: Manufactures rectifiers, semiconductor devices, metal oxide semiconductor power transistors (MOSFETs), controls, sub-assemblies and closed loop systems, instrumentation for monitoring and controlling hydraulic systems, metallurgical alloys, and ethical pharmaceutical drugs.

International Rectifier Corporation

Divisions and Subsidiaries:

Semiconductor Division
233 Kansas Street
El Segundo, California 90245
(213) 772-2000

Crydom Solid State Relays
1521 Grand Avenue
El Segundo, California 90245
(213) 322-4987

Rachelle Laboratories, Inc.
700 Henry Ford Avenue
Long Beach, California 90801
(213) 432-3956

Industrial Measurements & Controls Division
451 West Covina Blvd.
San Dimas, California 91773
(714) 599-1204

Xaloy Incorporated
3 Terminal Road
New Brunswick, New Jersey 08903
(201) 246-0200

Rachelle Animal Experimental Research Center
P.O. Box 1688
Gainesville, Georgia 30501
(404) 869-7611

Foreign Associate Companies & Subsidiaries:

International Rectifier Corporation Italiana S.p.A.
Via Privata Liguria 49
10071 Borgaro, Turin, Italy

International Rectifier GmbH
Savignystrasse 55
6 Frankfurt/Main 1, West Germany

International Rectifier Corporation (Japan) Limited
(29% owned)
Daiei Building, 23-7, Shinjuku 3-Chome
Shinjuku-Ku, Tokyo 160, Japan

International Rectifier Company (Great Britain) Limited
Hurst Green, Oxted
Surrey, England

International Rectifier Canada Limited
101 Bentley Street
Markham, Ontario, Canada L3R 3L1
(416) 495-1897

B.V. Diode, Laboratorium voor Electronentechniek
Hollantiaan 22
Utrecht, The Netherlands

Ruttonsha-International Rectifier Private Ltd.
(34% owned)
International House, Bombay-Agra Road
Vikhroli, Bombay 83, India

Rectificadores Internacionales, S.A.
Durazno #30, Centro Industrial, Los Olivos, La Mesa de Tijuana
Baja, California, Mexico

Transfer Agent(s):

Security Pacific National Bank
333 South Hope Street
Los Angeles, California 90071

Morgan Guaranty Trust Company of New York
23 Wall Street
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: IRF

Number of Employees:

1980	2,460	1977	2,600
1979	2,460	1976	2,900
1978	2,350		

Plant Footage:

1980	782,000 sq. ft.	1977	674,000
1979	782,000	1976	670,000
1978	794,000		

Sales and Earnings

	Net Sales	Net Income‡
1980	$150,854,000	$ 5,509,000
1979	123,768,000	6,141,000
1978	100,716,000	3,351,000
1977*	84,651,527	909,391
1976	58,606,122	11,590,000

	No. of Com. Shares	Equity Per Share‡#
1980	2,756,751	$2.01
1979	2,627,431	2.31
1978	2,612,166	1.28
1977	2,578,111	0.35
1976	2,627,211	4.23

* 53 weeks.

‡ Including extraordinary gains of $168,008 ($0.06 per share) in 1977, $16,725,000 ($6.10 per share) in 1976 and extraordinary losses of $3,310,000 ($1.21 per share) in 1980 and $189,000 ($0.07 per share) in 1978.

# Based on weighted average number of common shares outstanding.

Revenues By Line of Business

	1980	1979
Semiconductor	$ 93,026,000	$ 75,452,000
Pharmaceutical	43,597,000	35,034,000
Metallurgical	14,231,000	13,282,000
Total	$150,854,000	$123,768,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.32	—	—
1979	0.25	—	—
1978	0.20	—	—
1977	0.20	—	—
1976	0.15	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 43,315,000	$15.71
1979	35,787,000	13.62
1978	30,207,000	11.56
1977	27,173,000	10.54
1976	27,070,000	10.30

Income Account *

Year ended	6/30/80	7/1/79
Net sales	$150,854,000	$123,768,000
Cost of sales	101,238,000	86,230,000
Expenses	32,514,000	25,362,000
Interest expense	4,842,000	2,627,000
Other income	(1,329,000)	(1,155,000)
Income before taxes	$ 13,589,000	$ 10,704,000
Income taxes	4,770,000	4,563,000
Net Income	$ 8,819,000	$ 6,141,000
Extraord. loss	(3,310,000)	—
Net Income & extraord. loss	$ 5,509,000	$ 6,141,000

Assets

As of	6/30/80	7/1/79
Cash	$ 1,959,000	$ 2,092,000
Marketable securities	2,500,000	2,850,000
Accts. receiv., net	31,044,000	23,659,000
* Inventories	42,949,000	34,373,000
Deferred taxes	5,235,000	3,056,000
Prepaid expenses	1,423,000	1,390,000
Current Assets	$ 85,110,000	$ 67,420,000
Trade accts. receiv.	2,514,000	—
Investments	944,000	1,000,000
# Fixed assets	32,734,000	20,664,000
Total Assets	$121,302,000	$ 89,084,000

Liabilities

Bank loans & long-term debt, curr.	$ 11,600,000	$ 2,760,000
Accts. payable	12,308,000	11,770,000
Accruals	5,583,000	3,840,000
Accrued payroll	3,354,000	2,659,000
Income taxes	835,000	3,441,000
Interest expense	3,952,000	2,027,000
Litigation award	6,875,000	3,446,000
Curr. Liabilities	$ 44,507,000	$ 29,943,000
Long-term debt	29,104,000	20,945,000
Deferred credits	3,314,000	1,529,000
Other liab.	1,062,000	880,000
+ Common stock	2,959,000	2,829,000
Add. paid-in capital	10,530,000	7,796,000
Retained earnings	29,826,000	25,162,000
Total Liabilities & Shareholders' Equity	$121,302,000	$ 89,084,000

* At lower of cost (principally FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income before Taxes to Sales	9.01	8.65
%Net Income to Sales	5.85	4.96
%Net Income to Equity	20.36	17.16
Sales to Inventories	3.51	3.60
Working Capital	$ 40,603,000	$ 37,477,000
Current Ratio	1.91	2.25
Shareholders' Equity	$ 43,315,000	$ 35,787,000

International Telephone and Telegraph Corporation

320 Park Avenue
New York, New York 10022
(212) 752-6000

Officers: Rand V. Araskog, chairman, president & chief executive officer; Richard E. Bennett, sr. executive v.p.; James V. Lester, sr. executive v.p.; Herbert C. Knortz, exec. v.p. & comptroller; Frederick W. Gibbs, exec. v.p. & sr. group exec., Telecommunications; John W. Guilfoyle, exec. v.p. & pres., ITT Europe, Inc.; M. Cabell Woodward, Jr., exec. v.p. & chief financial officer; Howard J. Aibel, senior vice president and general counsel; Charles E. Anderson, sr. v.p. & group exec., Natural Resources; Robert L. Olson, sr. v.p. & group exec., Telecommunications & Electronics, North America; Edward J. Gerrity, Jr., John Hanway II, Robert H. Smith, John J. Chluski, Robert E. Laws, Gerald L. Seelig, Albert E. Cookson, senior vice presidents; John P. Pfann, sr. v.p. & treasurer; John J. Navin, v.p. &secretary; Richard G. Bateson, Steward S. Flaschen, John L. Lowden, Leonard B. Mackey, Robert H. Allen, Jules Berke, Donald R. Ealy, Raymond J. Gill, Robert M. Waite, Samuel H. Hellenbrand, Martin E. Karp, James A. Purdy, Edmund J. Schaffer, Merlin L. Alper, Joseph L. Bumbery, William W. Crossman, Charles A. Johnson, Edward J. McGrath, James I. Nixon, Ralph W. Pausig, John C. Reynolds, James R. Sexton, James L. von Harz, Daniel P. Weadock, Raymond H. Alleman, George A. Banino, John J. Foley, Harry R. Gudenberg, Ernest H. Manuel, Leslie J. Racey, Humberto Zavaleta, Robert J. Braverman, Charles N. Goldman, George F. Knapp, Daniel F. Lundy, John F. Johnson, Herbert A. Steinke, Jr., William H. Forster, Stanley Friedman, Michael J. Ganz, Thomas F. Krauter, Charles M. Silver, vice presidents.

Directors: Richard E. Bennett, Bette B. Anderson, Richard S. Perkins, Margita E. White, M. Cabell Woodward, Jr., William Elfers*, Harold S. Geneen*, J. Patrick Lannan*, James V. Lester, Felix G. Rohatyn*, Alvin E. Friedman*, Pomeroy Day*, Anthony J.A. Bryan*, Herbert C. Knortz, Frederic C. Hamilton*, Rand V. Araskog*, Thomas W. Keesee, Jr.*, Terry Sanford*, Earl G. Graves*.

*Member of Executive Committee.

Areas of Work: International Telephone and Telegraph Corporation is a diversified company active in more than 80 countries with a wide range of manufacturing and service operations. It is an important supplier of telecommunication equipment, industrial products, natural resource materials, automotive components, consumer products, food products and aerospace systems. Major service areas include insurance, business and financial services, hotels-motor inns, and international communications.

Transfer Agent(s):

International Telephone and Telegraph Corporation
(common & preferred stock)
320 Park Avenue
New York, New York 10022

Continental Illinois National Bank and Trust Company
of Chicago
Chicago, Illinois 60690

Dresdner Bank AG
Frankfurt-am-Main, Germany

Stock Exchange(s): New York, Pacific, Toronto, Antwerp, Basel, Berne, Brussels, Geneva, Frankfurt, Lausanne, London, Paris, Tokyo, Vienna, Zurich.

Ticker Symbol: ITT

Number of Employees:

1980	348,000	1977	375,000
1979	369,000	1976	375,000
/8	379,000		

Sales and Earnings ‡

	Net Sales + (000's)	Net Income # (000's)
1980	$ 23,819,000	$ 894,000
1979	22,056,000	383,000
1978	19,452,000	665,000
1977	16,769,000	554,000
1976	14,925,000	497,000

	No. of Com. Shares	Earn. per Share #†
1980	122,000,000	$6.12
1979	116,000,000	2.65
1978	112,000,000	4.65
1977	104,000,000	3.90
1976	94,000,000	3.71

‡ Restated to include operations of companies acquired on a pooling of interests basis.

+ Includes other revenues and revenues from Insurance and Finance Subsidiaries.

Including extraordinary gain of $5,742,000 ($0.04 per share) in 1976 and extraordinary loss of $11,627,000 ($0.08 per share) in 1977.

† Based on the average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1980 (000's)	%	1979 (000's)	%
Telecommunications & electronics:				
Telecommunications equip.	$6,041	25%	$5,342	25%
Telecommunications oper.	331	1	292	1
Defense & avionics systems	780	3	673	3
Engineered prods.:				
Automotive prods.	1,749	7	1,771	8
Industrial prods.	3,063	13	2,961	13
Components & semiconductors	1,391	6	1,160	5
Consumer prods. & services:				
Food prods.	1,816	8	1,743	8
Consumer appliances	772	3	878	4
Hotels & other	1,210	5	1,109	5
Natural resources:				
Timber & earth	1,057	5	1,088	5
Energy	320	1	240	1
Insurance & finance:				
Casualty & life insurance	4,630	20	4,281	20
Finance	659	3	518	2
Total	$23,819	100%	$22,056	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.45	—	—
1979	2.25	—	—
1978	2.05	—	—
1977	1.82	—	—
1976	1.64	—	—

Common Stock Equity ‡

	Total Equity +	Equity Per Share
1980	$4,826,515,000	$39.32
1979	3,983,883,000	34.04

‡ Restated to include operations of companies acquired on a pooling of interests basis.

+ After allowing for preferred stock at aggregate liquidation value.

Income Account *
(000's)

Year ended Dec. 31	1980	1979 ‡
Sales & revenues	$ 18,529,655	$ 17,257,563
Cost of sales & services	14,318,805	13,390,837
Expenses	2,802,581	2,660,041
Eq. in earn. of Insur. & Fin. subsid.	(354,124)	(349,378)
Gain on sale - Can. timber	(90,100)	—
Prov. for close-down - Can. mill	—	320,000
Dividends & other income	(80,193)	(66,457)
Interest expense	685,985	521,078
Minority stock. eq. in net inc.	(1,180)	202,146
Income before taxes	$ 1,247,881	$ 579,296
Income taxes	306,490	161,664
Minority stock. eq. in net inc.	47,065	34,539
Net Income	$ 894,326	$ 383,093

* Included in Costs and Expenses, Depreciation: $498,563,000 in 1980 and $455,182,000 in 1979.

‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets
(000's)

As of Dec. 31	1980	1979 ‡
Cash	$ 174,519	$ 171,978
Accts. receiv., net	2,759,043	2,948,552
* Inventories	3,598,951	3,646,690
Other curr. assets	263,392	273,852
Current Assets	$ 6,795,905	$ 7,041,072
Investments, deferred receiv. & other assets	3,406,295	3,000,742
# Fixed assets	5,214,983	5,084,351
Total Assets	$ 15,417,183	$ 15,126,165

Liabilities
(000's)

Loans & long-term debt. curr.	$ 1,398,545	$ 1,498,915
Accts.payable	1,495,991	1,718,712
Accrued payroll	409,099	440,592
Accrued taxes	386,065	293,225
Other liab.	1,041,452	1,079,928
Curr. Liabilities	$ 4,731,152	$ 5,031,372
Long-term debt	2,846,844	2,970,858
Reserves & deferred liabilities	962,501	872,854
Minority interest	211,396	187,874
Deferred inc. taxes	391,775	428,324
+ Preferred stock	696,860	804,638
+ + Common stock	122,340	116,998
Add. paid-in capital	794,651	658,976
Retained earnings	4,619,706	4,084,137
Unrealized gain (loss)	39,958	(29,866)
Total Liabilities & Shareholders' Equity	$ 15,417,183	$ 15,126,165

‡ Restated to include operations of companies acquired on a pooling of interests basis.

* At lower of cost (FIFO) or market.

# Less accumulated depreciation.

+ No par value.

+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales & Revenues	6.73	3.36
%Net Income to Sales & Revenues	4.83	2.22
%Net Income to Equity	14.26	6.80
Working Capital	$2,064,753,000	$2,009,700,000
Current Ratio	1.44	1.40
Shareholders' Equity	$6,273,515,000	$5,634,883,000

Interscience Systems, Inc.

8435 Canoga Avenue
Canoga Park, California 91304
(213) 709-7711

Officers: Sam Volpentest, chairman of the board; James W. Halverson, president & treasurer; Darrel G. McCollough, exec. v.p. & secretary; Gerard F. Cunningham, v.p. & marketing director.

Directors: Sam Volpentest, chairman; James W. Halverson, Allen Guggenheim, Bjorn Lih, Harold B. Lee.

Areas of Work: Develops, manufactures, sells, leases and services disk and tape memory systems for the Univac plug-compatible market.

Subsidiaries:

Summit Systems, Inc. (47% owned)
Develops microprocessor-driven gaming devices known as the Summit "AUTOSLOT". This device is a microprocessor combined with related proprietary hardware and electronics which, when installed in a standard electromechanical slot machine, provides a casino operation greater security from cheaters, less maintenance, anda total accounting of all transactions.

Bio-Optronics, Inc.
Sells electronic equipment and patient monitoring devices.

Nevada Gaming Schools
Provides training for coin operated gaming devices.

Avion Industries
Primarily graphics and silk screening for gaming industry.

Summit Publications (80% owned)
Publications house, primarily for the gaming industry.

Dale Associates, Inc.
Research and development of video amusement and gaming devices.

Game Plan, Inc.
Manufacturer of slot machines and video and mechanical amusement devices.

Transfer Agent(s):

U.S. Stock Transfer Corporation
8383 Wilshire Blvd., Ste. 360
Beverly Hills, California 90211

Interscience Systems, Inc.

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	184

Plant Footage:

1980	20,000 sq. ft.

Sales and Earnings

	Net Revenues	Net Income ‡
1980	$ 3,978,000	$ (2,953,000)
1979	5,356,000	440,000
1978	2,598,000	1,049,000
1977	2,427,000	91,000
1976	748,000	(440,000)

	No. of Com. Shares †	Earn. Per Share ‡†
1980	1,057,230	$ —
1979	986,546	0.43
1978	911,398	1.15
1977	851,653	0.11
1976	851,653	—

(Loss)

‡ Including extraordinary gains of $138,000 ($0.14 per share) in 1979, $939,000 ($1.03 per share) in 1978, $240,000 ($0.28 per share) in 1977 and $16,000 ($0.02 per share) in 1976.

† Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	—
1978	—	—	5-for-1

Income Account *

Year ended March 31	1980	1979
Net revenues	$ 3,978,163	$ 5,356,076
Cost of sales	3,270,592	3,261,914
New prod. develop.	587,900	426,643
Expenses	1,432,946	864,920
Interest expense	629,155	309,434
Income (loss) before taxes	$ (2,953,325)	$ 474,256
Income taxes	—	171,787
Net Income (Loss)	$ (2,953,325)	$ 302,469
Extraord. gain	—	138,000
Net Income (Loss) & extraord. gain	$ (2,953,325)	$ 440,469

* Included in Costs and Expenses, Depreciation and Amortization: $483,243 in 1980 and $446,367 in 1979.

Assets

As of March 31	1980	1979
Cash	$ 381,421	$ 69,840
Accts. receiv., net	702,951	517,191
*Inventories	2,853,073	1,329,922
Prepaid expenses	56,129	68,825
Current Assets	$ 3,993,574	$ 1,985,778
#Fixed assets	2,450,904	3,102,357
Other assets	1,182,342	605,583
Total Assets	$ 7,626,820	$ 5,693,718

Liabilities

	1980	1979
Long-term debt	$ 647,311	$ 1,564,622
Accts. payable	1,617,124	854,084
Accruals	396,550	262,177
Income taxes	—	16,996
Cust. deposits	—	154,600
Curr. Liabilities	$ 2,660,985	$ 2,852,479
Long-term debt	5,492,304	1,560,438
Deferred development funds	523,000	—
Deferred income	153,191	63,564
Deferred inc. taxes	38,000	38,000
+ Preferred stock	240,000	240,000
+ + Common stock	96,920	86,824
Common stock warrants	30,000	—
Add. paid-in capital	2,675,379	2,182,047
Deficit	(4,282,959)	(1,329,634)
Total Liabilities & Shareholders' Equity	$ 7,626,820	$ 5,693,718

* At lower of weighted average cost or market.

# Less accumulated amortization and depreciation.

+ No par value.

+ + No par value.

Statistical Summary

%Income bef. Taxes to Sales	—	8.85
%Net Income to Sales	—	5.65
%Net Income to Equity	—	25.65
Sales to Inventories	1.39	4.03
Working Capital	$ 1,332,589	$ —
Current Ratio	1.50	—
Shareholders' Equity (deficiency)	$ (1,240,660)	$ 1,179,237

Ionics, Incorporated

65 Grove Street
Watertown, Massachusetts 02172
(617) 926-2500

P.O. Box 99
Bridgeville, Pennsylvania 15017
(412) 343-1040

Officers: Averell E. Daniell, chairman of the board; Arthur L. Goldstein, president; Theodore G. Papastavros, Thomas A. Kirkman, Carl J. McCurdy, Wayne A. McRae, Edward M. Guild, Walter J. Polens, Herman A. Zenk, William E. Katz, vice presidents; James S. Parkhill. v.p. & treasurer; Robert B. Luick, clerk.

Directors: Thomas A. Kirkham, William E. Katz, Arnaud de Vitry d'Avaucourt, Edward H. Foley, Averell E. Daniell*, Charles J. Coulter*, Arthur L. Goldstein*, Robert B. Luick, Wayne A. McRae, Carl J. McCurdy, Charles F. Chapin, Samuel A. Goldblith, Thomas J. White.

*Member of Executive Committee.

Areas of Work: The principal business of the company involves the sale of three groups of products: membrane cells and other separations products; energy related and other fabricated products; and instruments and medical products. Membrane cells and other separations products include: electrodialysis water desalination equipment; ion-exchange water softeners, silver-charcoal water purifiers; pool purifiers; membrane-type hypochlorinators, brine recycle systems; electrochemical cells for air and liquid waste recycle and recovery; electrodialysis systems for cheese whey demineralization; electrochemical cells for manufacture of caustic and chlorine; membranes for medical diagnostics. Energy related products include: water treatment equipment and related equipment, auxiliaries for nuclear and fossil-fuel power plants, heat recovery systems and fired heaters. The instruments include water quality monitors, oxygen demand and carbon monitors, process titrators, and membranes for diagnostics and other medical applications.

Divisions and Subsidiaries:

Watertown Division
65 Grove Street
Watertown, Massachusetts 02172
(617) 926-2500

Manufacture and sale of water desalination equipment, pollution monitoring instruments, food and chemical processing equipment; research and development activities in electrochemistry and pollution control.

Bridgeville Division
P.O. Box 99
Bridgeville, Pennsylvania 15017
(412) 343-1040

Manufacture and sale of water softening and conditioning equipment, custom-fabricated components for the nuclear, food and chemical industries, and custom-designed air recovery and heat transfer systems; financing activities related to sales of domestic water softening equipment.

General Ionics, Inc.
4178 Market Street
Youngstown, Ohio 44572

Home water softener dealership.

Yuasa-Ionics Co. Ltd. (50% owned)
No. 12-11, 2-chome
Higashi-Shinbashi
Minato-ku, Tokyo 105, Japan

Supplies pollution abatement products in Japan and the Far East.

Ionics DISC Inc.
Watertown, Massachusetts

Italba, S.p.A. (49% owned)
Via Mauro Macchi 26
20124 Milan, Italy

Design and construction of water and waste treatment plants in Europe.

Watlington-Waterworks Limited (23% owned)
P.O. Box 630
Hamilton, Bermuda

Transfer Agent(s):

The First National Bank of Boston
P.O. Box 1031
Boston, Massachusetts 02103

Stock Exchange(s): American

Ticker Symbol: ION

Sales and Earnings

	Revenues	Net Income
1980	$ 42,134,000	$ 1,828,000
1979	41,306,190	2,229,477
1978	31,935,259	1,860,271
1977	27,702,866	1,555,248
1976	23,506,013	1,229,443

	No. of Com. Shares †	Earn. per Share ‡
1980	1,883,738	$0.95
1979	1,868,626	1.18
1978	1,793,650	1.00
1977	1,766,376	0.85
1976	1,753,502	0.69

† Adjusted to reflect stock split.

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1980	1979
Water processing system	$ 26,127,000	$ 22,984,000
Other membrane cell prods.	6,083,000	9,384,000
Energy-related & other fabricated prod.	5,970,000	5,361,000
Instruments & medical prod.	3,145,000	2,453,000
Other	809,000	1,124,000
Total	$ 42,134,000	$ 41,306,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	2-for-1 +

+ Effective Mar., 1981.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 18,381,000	$9.76
1979	16,389,447	8.77
1978	13,874,773	7.74

† Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1980	1979
Net revenues	$ 42,134,000	$ 41,306,190
Eq. in earn. of affil. cos.	460,000	191,803
Total income	$ 42,594,000	$ 41,497,993
Cost of sales	28,141,000	26,975,645
Expenses	8,874,000	7,975,311
Research exp.	2,119,000	2,003,744
Interest expense	75,000	160,816
Income before taxes	$ 3,385,000	$ 4,372,477
Income taxes	1,557,000	2,143,000
Net income	$ 1,828,000	$ 2,229,477

* Included in Costs and Expenses, Depreciation: $816,000 in 1980 and $641,421 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 336,000	$ 1,154,650
Comm. paper	600,000	1,300,000
Notes receiv.	1,528,000	1,327,804
Accts. receiv., net	13,447,000	10,869,890
Other receiv.	233,000	366,422
Refundable taxes	494,000	510,000
* Inventories	10,787,000	7,912,263
Other assets	330,000	276,485
Current Assets	$ 27,755,000	$ 23,717,514
Investments	1,272,000	912,748
Notes receiv.	3,551,000	3,011,835
# Fixed assets	6,668,000	5,161,028
Total Assets	$ 39,246,000	$ 32,803,125

Liabilities

	1980	1979
Long-term debt, curr.	$ 24,000	$ 38,018
Accts. payable	3,348,000	2,654,124
Accruals	2,705,000	2,755,393
Customer deposits	1,905,000	965,927
Income taxes	7,179,000	5,966,805
Curr. Liabilities	$ 15,161,000	$ 12,380,267
Long-term debt	3,005,000	1,740,411
Deferred inc. taxes	2,699,000	2,293,000
+ Common stock	1,884,000	934,313
Add. paid-in capital	4,166,000	4,952,685
Retained earnings	12,331,000	10,502,449
Total Liabilities & Shareholders' Equity	$ 39,246,000	$ 32,803,125

* At lower of cost (FIFO or standard cost) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

	1980	1979
%Income before Taxes to Revenues	8.03	10.59
%Net Income to Revenues	4.34	5.40
%Net Income to Equity	9.95	13.60
Working Capital	$ 12,594,000	$ 11,337,247
Current Ratio	1.83	1.92
Shareholders' Equity	$ 18,381,000	$ 16,389,447

IPM Technology, Inc.

6851 West Imperial Highway
Los Angeles, California 90045
(213) 646-2994

Officers: Nathan Goldstein, chairman of the board; Seymour Kahn, president; Robert S. Goldstein, exec. v.p.; Norman Jacobs, secretary & treasurer.

Directors: Nathan Goldstein, chairman; Norman Jacobs, Seymour Kahn, Robert S. Goldstein.

Areas of Work: Primarily involved in electronic manufacturing and aircraft servicing.

Divisions and Subsidiaries:

Workman Electronic Products, Inc.
Post Office Box 3828
Sarasota, Florida 33578
(813) 955-4242

Manufactures and markets a wide variety of electronic components; also fabricates plastic and fibre insulators through its division, the Electrical Insulation Company.

Mercury Service, Inc.
6851 West Imperial Highway
Los Angeles, California 90045
(213) 646-2994

Complete aircraft servicing.

Mercury Refueling, Inc.
Refuels commercial and military aircraft.

Crew Transit, Inc.
Provides transportation for airline crews.

Belart-Erdmann Corporation (100% owned by ANW, Inc. which is 82% owned by IPM Technology, Inc.)
145-26 Liberty Avenue
Jamaica, New York 11435
(212) 523-6947

Performs precision silk screen process printing and creates graphic designs requiring high visual displays.

Madison and Wall, Inc.
36 West 40th Street
New York, New York 10018
(212) 239-6570

In the business of financing equipment for the company's subsidiaries.

Electrical Precision Meter Corportation (53% owned)

Manufactures components for instruments such as altimeters and other gauges.

Transfer Agent(s):

American Stock Transfer Company
15 William Street
New York, New York 10005

Stock Exchange(s): Boston

Ticker Symbol: IPMT

Number of Employees:

1980	400	1977	400
1979	400	1976	400
1978	400		

Plant Footage:

1980	80,000 sq. ft.	1977	80,000
1979	80,000	1976	80,000
1978	80,000		

Sales and Earnings

	Net Sales	Net Income #
1980	$ 23,041,894	$ 1,353,444
1979	6,605,265	426,529
1978	4,331,096	147,930
1977	5,110,807	306,943
1976	5,493,398	(103,738)

	No. of Com. Shares +	Earn. per Share # †
1980	646,152	$1.96
1979	753,022	0.57
1978	754,522	0.18
1977	910,104	0.33
1976	943,054	—

(Loss)
Including extraordinary credits of $54,595 ($0.07 per share) in 1978, $140,361 ($0.15 per share) in 1977 and $224,090 in 1976.
+ Adjusted to reflect stock split.
† Based on average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	3-for-2†

† Declared July, 1980.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 3,765,798	$5.83
1979	2,571,576	3.42
1978	2,087,319	2.77
1977	2,054,098	2.26
1976	1,740,448	1.85

‡ Adjusted to reflect stock split.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 23,041,894	$ 6,605,265
Other income	7,666,028	6,326,496
Total Income	$ 30,707,922	$ 12,931,761
Cost of sales	25,962,565	10,122,498
Expenses	2,137,509	2,111,861
Other income	(27,419)	(44,727)
Interest expense	134,721	156,642
Minority interest	(4,298)	(970)
Income before taxes	$ 2,504,844	$ 586,457
Income taxes	1,151,400	159,928
Net Income	$ 1,353,444	$ 426,529

* Included in Costs and Expenses, Depreciation and Amortization: $444,507 in 1980 and $294,833 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 1,289,531	$ 348,528
Accts. receiv., net	3,296,813	3,200,510
* Inventories	1,254,764	1,220,353
Prepaid expenses	115,425	123,373
Current Assets	$ 5,956,533	$ 4,892,764
# Fixed assets	3,637,920	1,911,636
Other assets	873,788	419,241
Total Assets	$ 10,468,241	$ 7,223,641

Liabilities

	1980	1979
Notes payable	$ —	$ 861,576
Long-term debt, curr.	420,896	242,635
Accts. payable	1,971,869	1,354,302
Accruals	352,884	206,688
Accrued payroll	512,858	280,037
Other taxes	289,261	349,407
Income taxes	1,010,557	113,769
Curr. Liabilities	$ 4,558,325	$ 3,408,414
Long-term debt	1,958,196	1,098,731
Minority interest	9,512	13,810
Deferred inc. taxes	176,410	131,110
+ Common stock	433,926	433,926
Add. paid-in capital	2,799,687	2,799,687
Retained earnings	1,427,434	73,990
Treasury stock	(877,249)	(700,027)
Notes receiv., arising from restrict. stock op. plan	(18,000)	(36,000)
Total Liabilities & Shareholders' Equity	$ 10,468,241	$ 7,223,641

* At lower of cost (FIFO) or market (replacement cost or est. net realizable amt.)
# Less accumulated depreciation.
+ $0.25 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	10.87	8.88
%Net Income to Sales	5.87	6.46
%Net Income to Equity	35.94	16.59
Sales to Inventories	18.36	5.41
Working Capital	$ 1,398,208	$ 1,484,350
Current Ratio	1.31	1.44
Shareholders' Equity	$ 3,765,798	$ 2,571,576

IRT Corporation

7650 Convoy Court
P.O. Box 80817
San Diego, California 92138
(714) 565-7171

Officers: Robert L. Mertz, president & chairman of the board; Joseph John, v.p.-Nuclear Systems Div.; W. Dennis Swift, v.p.-Electronic Systems Div.; Charles A. Preskitt, Jr., v.p.; William R. Gordon, controller & treasurer; Walter D. Bowne, secretary; Connie I. Boehm, asst. treasurer; John A. Chiment, William I. Hoese, asst. secretaries.

Directors: Robert L. Mertz*, Clifford V. Brokaw III*, Charles A. Preskitt, Jr., Stanley W. Hubbel.

*Member of Executive Committee.

Subsidiaries:

Intelcom Rad Tech
San Diego and Oxnard, California

Radiation effects research and testing services; development and manufacture of equipment for measurement of nuclear materials and non-destructive inspection. Manufactures plastic fiber optic materials and industrial products. Makes and markets specialty decorative hobby kits.

Transfer Agent(s):

Wells Fargo Bank N.A.
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Number of Employees:

1981	161	1979	138
1980	156		

Ticker Symbol: IRTC (NASDAQ)

Sales and Earnings

	Revenues +	Net Income
1981	$ 10,587,000	$ 238,000
1980	7,932,000	172,000
1979	6,606,000	(169,000)
1978	6,185,000	82,000
1977	5,863,000	135,000

	No. of Com. Shares ‡	Earn. per Share
1981	1,445,188	$0.16
1980	1,355,075	0.13
1979	708,503	—
1978	150,629	—
1977	130,508	—

(Loss)
+ Of continuing operations only.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1981	1980
Defense research & nuclear instrumentation equip.	$ 10,031,000	$ 7,632,000
Linear accelerator activities	556,000	300,000
Total	$ 10,587,000	$ 7,932,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	—
1978	—	—	—
1977	—	—	*1-for-20

* Reverse stock split.

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 1,562,000	$1.08
1980	871,000	0.64
1979	240,000	0.34
1978	109,000	0.72

Income Account *

Year ended March 31	1981	1980
Revenues	$ 10,587,000	$ 7,932,000
Cost of revenues	8,790,000	6,581,000
Expenses	1,122,000	828,000
Interest expense	256,000	241,000
Other income	(29,000)	(26,000)
Income before taxes	$ 448,000	$ 308,000
Income taxes	210,000	136,000
Net Income	$ 238,000	$ 172,000

* Included in Costs and Expenses; Depreciation and Amortization: $411,000 in 1981 and $339,000 in 1980.

Assets

As of March 31	1981	1980
Cash	$ 340,000	$ 164,000
Receiv., net	2,326,000	1,799,000
*Inventories	295,000	384,000
Real estate investment	1,031,000	704,000
Prepaid, deposits & other assets	49,000	72,000
Current assets	$ 4,041,000	$ 3,123,000
# Fixed assets	1,652,000	1,460,000
Other assets	35,000	1,000
Total Assets	$ 5,728,000	$ 4,584,000

Liabilities

	1981	1980
Notes payable	$ 1,408,000	$ 1,320,000
Long-term debt, curr.	238,000	201,000
Accts. payable, accruals & reserves	1,807,000	1,400,000
Current portion of obligations under capital lease	32,000	6,000
State Income taxes payable	63,000	25,000
Curr. Liabilities	$ 3,548,000	$ 2,952,000
Long-term debt	501,000	740,000
Obligations under capital lease	117,000	21,000
+ Common stock	124,000	118,000
+ Class A Common stock	23,000	23,000
Add. paid-in capital	1,005,000	558,000
Retained earnings	410,000	172,000
Total Liabilities & Shareholders' Equity	$ 5,728,000	$ 4,584,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	1981	1980
%Income before taxes to Revenues	4.23	3.88
%Net Income to Revenues	2.25	2.17
%Net Income to Equity	15.24	19.75
Working Capital	$ 493,000	$ 171,000
Current Ratio	1.14	1.06
Shareholders' Equity	$ 1,562,000	$ 871,000

Isomet Corporation

5263 Port Royal Road
Springfield, Virginia 22151
(703) 321-8301

Officers: Henry Zenzie, president; Jerry W. Rayburn, v.p. & treasurer; John Ciriello, v.p.-mfg.; Leon Bademian, v.p.-technical director; Lee R. Marks, secretary.

Directors: Henry Zenzie, Floyd Eberly, Thomas P. Meloy, Leon Bademian, John Ciriello, Jerry W. Rayburn.

Areas of Work: Engaged in the production of laser accessory components and opto-electronic instruments employing synthetic crystals.

Transfer Agent(s):

Citibank, N.A.
111 Wall Street
New York, New York 10015

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	42	1979	42

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 3,365,360	$ 845,613
1979	2,288,526	149,284
1978	1,468,386	(288,146)
1977	1,195,061	(181,491)
1976	1,510,756	(89,378)

	No. of Com. Shares #	Earn. per Share ‡#
1980	1,443,540	$0.59
1979	1,359,850	0.11
1978	1,306,183	—
1977	1,232,287	—
1976	807,793	—

(Loss)
‡ Including extraordinary gains of $398,138 ($0.28 per share) in 1980 and $72,500 ($0.05 per share) in 1979.
# Based on weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,442,354	$1.00
1979	496,741	0.37
1978	246,327	0.19
1977	534,473	0.43
1976	261,464	0.32

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 3,365,360	$ 2,288,526
Cost of sales	1,703,228	1,405,981
Expenses	701,523	563,056
Other income	(26,517)	(19,503)
Interest income	(37,908)	(7,804)
Interest expense	179,421	161,201
Income before taxes	$ 845,613	$ 185,595
Income taxes	398,138	72,500
Net Income	$ 447,475	$ 113,095
Extraord. gain	398,138	72,500
Cum. effect of acctg. chg.	—	(36,311)
Net Income & Extraord. gain	$ 845,613	$ 149,284

* Included in Costs and Expenses, Depreciation and Amortization: $77,343 in 1980 and $72,764 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 82,735	$ 60,897
Investments	998,785	237,013
Accts. receiv., net	515,402	439,440
Other receiv.	3,493	24,685
*Inventories	563,906	677,933
Prepaid expenses	5,105	8,210
Mortgage notes	14,364	3,076

Due from officer	2,190	1,627
Cost & est. earnings in exc. of billing	209,526	56,139
Precious metal	151,127	74,033
Current Assets	$ 2,546,633	$ 1,583,053
# Fixed assets	417,547	382,396
Other assets	36,048	13,168
Total Assets	$ 3,000,228	$ 1,978,617

Liabilities

Notes payable	$ 2,346	$ 123,101
Accts. payable	222,920	103,356
Accruals	209,453	129,913
Curr. Liabilities	$ 434,719	$ 356,370
Long-term debt:		
Notes payable	983,155	985,506
Convert. subord. taxes	140,000	140,000
+ Common stock	1,507,183	1,407,183
Add. paid-in capital	3,432,443	3,432,443
Deficit	(3,497,272)	(4,342,885)
Total Liabilities & Shareholders' Equity	$ 3,000,228	$ 1,978,617

* Inventories of process materials, parts and raw chemicals at lower of cost (FIFO) or market. Work in progress and finished goods at lower of average cost or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	25.13	8.11
%Net Income to Sales	13.30	4.94
%Net Income to Equity	31.02	22.77
Sales to Inventories	5.97	3.38
Working Capital	$ 2,111,914	$ 1,226,683
Current Ratio	5.86	4.44
Shareholders' Equity	$ 1,442,354	$ 496,741

Itek Corporation

10 Maguire Road
Lexington, Massachusetts 02173
(617) 276-2000

Officers: Robert P. Henderson, chairman of the board & chief executive officer; Salvatore Macera, exec. v.p. & pres., Itek Electronic and Optical Industries; Daniel O. Anderson, exec. v.p. & pres., Itek Graphic Systems & Communications Industries; John L. Grigsby, v.p.-defense electronic operations; Robert B. Johnson, v.p.-vision products operations; John R. Potter, v.p., secretary & general counsel; Charles A. Donovan, v.p. & chief financial officer; John F. Burns, treasurer.

Directors: Edwin D. Campbell, E. Raymond Corey, Daniel O. Anderson, Salvatore Macera, Franklin A. Lindsay, T.F. Walkowicz, Maurice Lazarus, Robert P. Henderson, Peter O. Crisp, Richard F. Cole.

Areas of Work: Engaged in the design, development and production of advanced photo-optical and electro-optical systems and components for reconnaissance and space exploration applications; products include high resolution lenses, aerial cameras, telescopes and equipment for processing, storing, retrieving, displaying and interpreting aerial and othe photographs, as well as information obtained from these photographs. Manufactures and distributes ophthalmic products, primarily glass and polymer multifocal lenses and eyeglass frames for prescription eyewear; also produces and distributes glass and polymer single vision lenses, industrial safety eyewear, eyeglass and contact lens cases and accessories, magnifying glasses and precision optical components. Designs, develops and manufactures specialized electronic systems and equipment; products include passive radar homing and warning systems, active electronic countermeasures systems, airborne recording simulation and EN systems testing equipment and instrumentation systems, reconnaissance and surveillance receivers and electro-optical equipment. Manufactures and distributes reprographic copy processing and phototypesetting equipment and supplies, including offset platemakers, offset duplicators, photocopying equipment, microfilm equipment and cameras/processors for the production of line and continuous tone film or paper prints.

Divisions:

Composition Systems Division
34 Cellu Drive
Nashua, New Hampshire 03060
(603) 889-1400

Optical Systems Division
10 Maguire Road
Lexington, Massachusetts 02173
(617) 276-2000

Applied Technology Division
525 Almanor Street
Sunnyvale, California 94068
(408) 732-2710

Vision Products Division
10 Maguire Road
Lexington, Massachusetts 02173
(617) 276-2000

Graphic Products Division
10 Maguire Road
Lexington, Massachusetts 02173
(617) 276-2000

Pennsylvania Optical Division
234 South Eighth Street
Reading, Pennsylvania 19603
(215) 376-5701

Measurement Systems Division
25 Christina Street
Newton, Massachusetts 02161
(617) 969-7300

Subsidiaries:

Univis Optical Corporation
10 Maguire Road
Lexington, Massachusetts 02173
(617) 276-2000

Antekna, Inc.
625 Clyde Avenue
Mountain View, California 94043
(415) 965-0600

Itek Leasing Corporation
164 Mushroom Boulevard
Rochester, New York 14623
(716) 424-4060

Itek International Corporation, Inc.
½ Thames Street
Windsor, Berkshire, England

Optische Werke GmbH
8390 Passau
Spilalhofstrasse 94, West Germany

Itek Business Products Ltd.
220 Norelco Drive
Weston, Ontario, Canada

Dymo Graphics Systems, Inc.
Wilmington, Massachusetts
Copy processing and phototypesetting.

Transfer Agent(s):

The First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): New York, Pacific

Ticker Symbol: ITK

Number of Employees:

1980	6,402	1977	5,994
1979	6,770	1976	6,134
1978	6,282		

Sales and Earnings

	Net Sales +	Net Income‡	No. of Com. Shares	Earn. per Share#‡
1980	$355,102,000	$ 8,926,000	3,986,119	$2.22
1979	311,112,000	6,785,000	3,937,881	1.70
1978	238,934,000	5,264,000	3,515,880	1.44
1977	197,048,000	3,145,000	3,090,730	0.92
1976	182,376,000	2,328,000	3,085,292	0.68

+ Includes contract revenues and continuing operations only.
‡ Including extraordinary tax credits $541,000 ($0.16 per share) in 1977 and $60,000 ($0.02 per share) in 1976.
# Based on average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1980	1979
Graphic products	$173,600,000	$146,800,000
Vision products	60,200,000	59,900,000
Defense electronics	82,800,000	72,200,000
Optical systems	41,300,000	34,500,000
Interseg. sales elimination	(2,800,000)	(2,300,000)
Total	$355,100,000	$311,100,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.15	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$119,077,000	$29.87
1979	110,183,000	27.98
1978	101,730,000	28.93
1977	85,103,000	27.53
1976	81,905,000	26.55

Income Account *

Year ended Dec. 31	1980	1979
Net sales & contract rev.	$355,102,000	$311,112,000
Cost of sales	222,330,000	194,202,000
Expenses	111,548,000	100,131,000
Other expense (income)	(40,000)	812,000
Income from finance subs.	(1,007,000)	(708,000)
Interest expense	7,460,000	4,188,000
Income before taxes	$ 14,811,000	$ 12,487,000
Income taxes	5,750,000	4,300,000
Income fr. cont. oper.	$ 9,061,000	$ 8,187,000
Loss fr. discont. oper.	(135,000)	(1,402,000)
Net Income	$ 8,926,000	$ 6,785,000

* Included in Costs and Expenses, Depreciation and Amortization: $9,250,000 in 1980 and $7,075,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 3,548,000	$ 3,865,000
Accts. receiv., net	83,231,000	60,656,000
*Inventories	91,225,000	77,765,000
Prepaid expenses	6,642,000	5,390,000
Current Assets	$184,646,000	$147,676,000
Investments	8,457,000	7,091,000
#Fixed assets	46,639,000	44,856,000
Other assets	12,040,000	15,028,000
Total Assets	$251,782,000	$214,651,000

Itek Corporation

Liabilities

Bank loans payable	$ 14,887,000	$ 9,583,000
Long-term debt, curr.	3,307,000	3,017,000
Accts. payable	29,045,000	20,578,000
Advances	4,885,000	4,141,000
Accruals	7,285,000	8,529,000
Accrued payroll	6,382,000	6,331,000
Income taxes	6,581,000	2,569,000
Curr. Liabilities	$ 72,372,000	$ 54,748,000
Long-term debt	23,908,000	44,661,000
8½ convert. deben.	30,000,000	—
Other liabilities	825,000	1,159,000
Deferred inc. taxes	5,600,000	3,900,000
+Common stock	3,986,000	3,938,000
Add. paid-in capital	47,899,000	47,383,000
Retained earnings	67,192,000	58,862,000
Total Liabilities & Shareholders' Equity	$251,782,000	$214,651,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Net Income to Equity	7.50	6.16
Working Capital	$112,274,000	$ 92,928,000
Current Ratio	2.55	2.70
Shareholders' Equity	$119,077,000	$110,183,000

ITI Electronics, Inc.

P.O. Box 260
369 Lexington Avenue
Clifton, New Jersey 07011
(201) 546-3900

Officers: Joseph Weinberg, president & treasurer; Joseph L. Cirigliano, executive v.p.; Frederick W. Vanderbeck, Jr., v.p.-purchasing; Florence V. Kiel, secretary.

Directors: Albert M. Zlotnick, chairman; Stanley Bilker, Joseph L. Cirigliano, Ralph Glazer, Joseph Weinberg.

Areas of Work: Manufactures terminal equipment for computer and data processing systems. Electronic components for telephone communications and surveillance and security systems.

Transfer Agent(s):

Registrar & Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016

Number of Employees:

1981	24	1978	30
1980	20	1977	26
1979	35		

Plant Footage:

1981	20,000 sq. ft.	1978	20,000
1980	20,000	1977	20,000
1979	20,000		

Sales and Earnings

	Net Sales	Net Income ‡
1981	$ 574,597	$ (32,118)
1980	899,379	87,552
1979	1,100,081	136,314
1978	834,291	96,019
1977	578,276	10,044

	No. of Com. Shares	Earn. per Share # ‡
1981	1,055,014	$ —
1980	1,048,347	0.08
1979	1,019,014	0.13
1978	1,019,014	0.09
1977	1,019,014	0.01

(Loss)
‡ Including extraordinary credits of $31,000 ($0.03 per share) in 1978 and $2,000 in 1977.
# Based on the weighted average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$ —	—	—
1980	0.02	—	—

Common Stock Equity

	Total Equity +	* Equity Per Share +
1981	$ 544,782	$0.52
1980	576,900	0.55
1979	502,848	0.49
1978	371,534	0.36
1977	275,515	0.27

+ After allowing for preferred stock at par value.

Income Account *

Year ended Jan. 31	1981	1980
Net sales	$ 574,597	$ 899,379
Cost of sales	424,577	526,565
Expenses	203,819	225,862
Interest expense	11,310	14,368
Bad debts (recovery)	1,669	(611)
Other income	(5,985)	(7,957)
Income (loss) before taxes	$ (60,793)	$ 141,152
Income taxes (credit)	(28,675)	53,600
Net Income (Loss)	$ (32,118)	$ 87,552

* Included in Costs and Expenses, Depreciation: $10,112 in 1981 and $9,648 in 1980.

Assets

As of Jan. 31	1981	1980
Cash	$ 68,940	$ 49,883
Short-term invest.	—	103,360
Accts. receiv., net	43,414	49,567
* Inventories	355,725	324,622
Other assets	4,678	5,060
Prepaid inc. taxes	46,370	5,411
Current Assets	$ 519,127	$ 537,903
# Fixed assets	166,321	169,549
Other assets	16,721	17,234
Total Assets	$ 702,169	$ 724,686

Liabilities

Long-term debt, curr.	$ 12,304	$ 11,138
Accts. payable & accruals	35,189	14,108
Accrued payroll	12,337	10,278
State taxes	—	1,728
Other taxes	2,759	3,432
Curr. Liabilities	$ 62,589	$ 40,684
Long-term debt	94,668	106,972
+ Preferred stock	130	130
+ + Common stock	52,751	52,751
Add. paid-in capital	462,297	462,297
Retained earnings	34,734	66,852
Treasury stock	(5,000)	(5,000)
Total Liabilities & Shareholders' Equity	$ 702,169	$ 724,686

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.05 par value, Series A, cumulative convertible.
+ + $0.05 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	15.69
%Net Income to Sales	—	9.73
%Net Income to Equity	—	15.17
Sales to Inventories	1.62	2.77
Working Capital	$ 456,538	$ 497,219
Current Ratio	8.29	13.22
Shareholders' Equity	$ 544,912	$ 577,030

Jaco Electronics, Inc.

145 Oser Avenue
Hauppauge, New York 11787
(516) 273-5500

Officers: Charles B. Girsky, president; Michael Gentile, Denis A. Haggerty, v.p.'s; Josel H. Girsky, secretary-treasurer; Stanley M. Zimmerman, asst. secretary.

Directors: Charles B. Girsky, Josel H. Grisky, Martin B. Bloch, Stephen A. Cohen.

Areas of Work: Distributes electronic components manufactured by others to various electronics companies. The company specializes in the distribution of capacitors, semiconductors, integrated circuits and resistors used in electronic consumer products, and electronic equipment for commercial, space and defense industries.

Subsidiaries:

Jaco Overseas Corp.
Components Supply Company, Inc.

Transfer Agent(s):

Manufactures Hanover Trust Company
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: JACO (NASDAQ)

Number of Employees:

1980	410	1978	320
1979	380	1977	260

Plant Footage:

1980	143,700 sq. ft.	1978	72,100
1979	104,200 sq.ft.	1977	62,600

Sales and Earnings

	Net Sales	Net Income
1980	$ 64,827,516	$ 1,749,304
1979	48,638,959	778,699
1978	40,604,668	(41,915)
1977	35,588,269	(664,867)
1976	31,625,695	(12,152)

	No.of Com. Shares #	Earn.per Share #
1980	751,125	$2.33
1979	751,125	1.04
1978	751,125	—
1977	751,125	—
1976	751,125	—

(Loss)
# Based on weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 8,178,493	$10.89
1979	6,429,189	8.56
1978	5,650,491	7.52
1977	5,692,406	7.58
1976	6,357,273	8.46

# Based on weighted average number of shares outstanding.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 64,827,516	$ 48,638,959
Cost of sales	46,960,482	36,448,110
Expenses	12,846,896	9,958,083
Interest expense	1,810,902	1,103,467
Income before taxes	$ 3,209,236	$ 1,129,299
Income taxes	1,459,932	350,600
Net Income	$ 1,749,304	$ 778,699

* Included in Costs and Expenses, Depreciation: $266,222 in 1980 and $240,030 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 167,220	$ 188,165
Accts. receiv. net	11,347,421	7,713,933
* Inventories	12,361,716	9,988,517
Prepaid expenses	321,771	218,943
Current Assets	$ 24,198,128	$ 18,109,558
# Fixed assets	2,451,757	2,196,243
Other assets	130,038	84,446
Total Assets	$ 26,779,923	$ 20,390,247

Liabilities

	1980	1979
Long-term debt.curr.	$ 116,782	$ 56,851
Bank loans	10,708,544	7,008,661
Accts. payable	4,831,269	5,003,808
Accruals	760,620	566,298
Income taxes	1,116,268	340,145
Curr. Liabilities	$ 17,533,483	$ 12,975,763
Long-term debt	1,067,947	985,295
+ Common stock	75,113	75,113
Add paid-in capital	1,111,127	1,111,127
Retained earnings	6,992,253	5,242,949
Total Liabilities & Shareholders' Equity	$ 26,779,923	$ 20,390,247

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	4.95	2.32
%Net Income to Sales	2.70	1.60
%Net Income to Equity	21.39	12.11
Sales to Inventories	5.24	4.87
Working Capital	$ 6,664,645	$ 5,133,795
Current Ratio	1.38	1.40
Shareholders' Equity	$ 8,178,493	$ 6,429,189

Jamesbury Corp.

640 Lincoln Street
Worcester, Massachusetts 01605
(617) 852-0200

Officers: Howard G. Freeman, chairman & president; Daniel L. DeSantis, v.p.-industrial relations; William W. Rawstron, v.p.-engineering & planning; Maxwell H. Reck, v.p.-marketing & sales; Clyde S. Reynolds, v.p.-mfg.; Joaquim S.S. Ribeiro, v.p.-finance & international; Robert S. Bowditch, asst. secretary-clerk; James B. Reynolds, treasurer; Maurice E. Balboni, corp. controller; Richard P. Houlihan, Jr., v.p., general counsel, secretary & asst. clerk.

Directors: Robert S. Bowditch, Howard G. Freeman, Arthur E. Gilman, Arthur F.F. Snyder, Paul F. Hartz, C. Vincent Vappi, Paul S. Morgan, John H. Freeman, S. Warner Pach.

Areas of Work: Manufactures and sells ball valves, butterfly valves, valve actuators, and on-off throttling control valves and subsystems, used by the chemical processing, pulp and paper, petroleum, steel and power industries; also manufactures and sells punched-tape readers and accessories for the graphic arts, machine tools, computer peripherals and paper tape controlled equipment industries.

Divisions:

Decitek Division
129 Flanders Road
Westboro, Massachusetts 01581
(617) 798-8731

Manufactures punched tape-readers used in computer peripheral equipment and by machine tool control producers.

Subsidiaries:

Jamesbury Canada Ltd.
1282 Algoma Road
Mobile Route 1
Ottawa 15, Ontario, Canada
(613) 746-2211

Jamesbury Nippon Ltd.
18-7 Shibuya, 3-chome
Tokyo, Japan

Jamesbury Singapore (Pte.) Ltd.
Units 1-2, Block 1
1200 Depot Road
Singapore 4

OyM, S.A. (licensee)
Tlalnepantla (Estado de Mexico)
Mexico

Microfusion de Inoxidable S.A. (licensee)
Queretaro, Mexico

Jamesbury GmbH (50% interest)
Wasserburg, West Germany

Jamesbury Ltd. (United Kingdom)

Jamesbury International Corp.
(DISC) (U.S.)

Cincinnati Milacron (Decitek Corp.)
England

Transfer Agent(s):

New England Merchants National Bank
28 State Street
Boston, Massachusetts 02106

Stock Exchange(s): Over-the-Counter

Ticker Symbol: JAME (NASDAQ)

Number of Employees:

1980	1,450	1977	1,000
1979	1,250	1976	950
1978	1,085		

Plant Footage:

1980	438,000 sq. ft.	1977	380,000
1979	438,000	1976	290,000
1978	380,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 97,053,673	$ 8,225,574
1979	77,735,050	5,307,293
1978	65,561,325	4,617,490
1977	58,479,334	4,660,261
1976	48,330,487	3,482,457

	No. of Com. Shares †	Earn. per Share †‡
1980	3,401,705	$2.42
1979	3,383,317	1.57
1978	3,374,942	1.37
1977	3,342,082	1.39
1976	3,295,369	1.06

† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.
‡ Including extraordinary gain of $3,748,420 ($1.10 per share) in 1980.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.525	—	—
1979	0.425	25%	—
1978	0.34	—	—
1977	0.24	50%‡	—
1976	0.16	50%‡	—

‡ In the form of a 3-for-2 stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 36,080,754	$10.61
1979	29,584,950	8.74
1978	25,712,608	7.62
1977	22,234,576	6.65
1976	17,839,910	5.41

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *

Year ended June 30	1980	1979
Net Sales	$ 97,053,673	$ 77,735,050
Cost of sales	62,473,311	47,104,579
Expenses	21,347,056	17,413,497
Oper. profit	$ 13,233,306	$ 13,216,974
Interest expense	3,010,166	1,383,093
Minority interest	480,150	700,663
Foreign currency trans. losses (gains)	171,836	(94,075)
Income before taxes	$ 9,571,154	$ 11,227,293
Income taxes	5,094,000	5,920,000
Net Income	$ 4,477,154	$ 5,307,293
Extraord. gain	3,748,420	—
Net Income & Extraord. Gain	$ 8,225,574	$ 5,307,293

* Included in Costs and Expenses, Depreciation: $3,287,836 in 1980 and $2,608,659 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 1,451,508	$ 693,462
Settlement receiv.	8,000,000	—
Accts. receiv., net	16,951,943	11,830,373
* Inventories	36,848,483	28,131,206
Prepaid exp.	1,189,679	1,099,203
Current Assets	$ 64,441,613	$ 41,754,244
# Fixed assets	20,067,072	15,172,522
Investments & other assets	2,400,183	302,590
Restricted cash	3,246,208	—
Total Assets	$ 90,155,076	$ 57,229,356

Liabilities

	1980	1979
Notes payable	$ 10,407,306	$ 3,953,011
Long-term debt, curr.	1,145,378	1,063,449
Accts. payable	5,421,798	3,507,851
Accruals	5,646,704	4,278,496
Income taxes	4,771,933	3,070,552
Curr. Liabilities	$ 27,393,119	$ 15,873,359
Deferred compensation	470,982	408,733
Long-term debt	23,597,736	9,500,503
Deferred inc. taxes	1,777,017	1,180,498
Deferred credit	835,468	681,313
+ Common Stock	3,388,641	3,388,641
Add. paid-in capital	896,870	866,760
Retained earnings	31,842,124	25,384,343
Treasury stock	(46,881)	(54,794)
Total Liabilities & Shareholders' Equity	$ 90,155,076	$ 57,229,356

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	9.86	14.44
%Net Income to Sales	4.61	6.83
%Net Income to Equity	12.41	17.94
Sales to Inventories	2.63	2.76
Working Capital	$ 37,048,494	$ 25,880,885
Current Ratio	2.35	2.63
Shareholders' Equity	$ 36,080,754	$ 29,584,950

Jetronic Industries, Inc.

Main and Cotton Streets
Philadelphia, Pennsylvania 19127
(215) 482-7660

Officers: Daniel R. Kursman, president and treasurer; Jerome I. Kursman, vice president and secretary; Garth E. Bower, group vice president; Charles L. Berns, vice president-finance.

Jetronic Industries, Inc.

Directors: Daniel R. Kursman, chairman; Jerome I. Kursman, Garth E. Bower, Herbert Myers, Les Vizak, Marvin Levin, William L. Weiss, Erwin Strasmich.

Areas of Work: Engaged in the design, manufacture, and sale of electronic communication and navigation equipment and the manufacture and sale of circuit boards and instrumentation systems.

Divisions:

Ray Jefferson Division
Main and Cotton Street
Philadelphia, Pennsylvania 19127

Development of marine electronic communication and navigation equipment and accessory instruments for commerical and leisure use, including marine radio telephones, radio direction finders, and marine antennas.

Electronics Division
Main and Cotton Street
Philadelphia, Pennsylvania 19127

Manufactures the products marketed by the Ray Jefferson Division. Also designs and manufactures, to customer specifications, precision electronic equipment including digital data control terminals, broadcast and communications equipment.

Transchem Division
3667 Birch Street
Newport Beach, California 92660

Produces multilayer laminated rigid and flexible etched circuit boards, primarily for the computer and aerospace industries and precision power systems and ground support/checkout systems.

Acquisition(s):

Samuel Jacobs & Company, Inc.
Philadelphia, Pennsylvania

Engaged in the retail furniture and appliance business in Philadelphia and Reading, Pennsylvania. Also manufactures narrow tapes, shock cord, industrial straps, and related products.

Transfer Agent(s):

Continental Stock Transfer Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: JET

Number of Employees:

1980	683	1979	280

Plant Footage:

1980	312,400 sq.ft.	1979	107,000

Sales and Earnings

	Revenues (000's)	Net Income (000's)
1981	$ 30,591	$ (436)
1980	13,460	654
1979	12,967	546
1978	14,029	497
1977 †	20,428	508

	No. of Com. Shares ‡	Earn. per Share ‡
1981	1,487,400	$ —
1980	1,492,000	0.44
1979	1,487,000	0.37
1978	2,489,000	0.32
1977	1,520,000	0.33

(Loss)
† Restated to reflect reclassification of interest income.
‡ Based on weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1981	1980
Jetronic:		
Electronic communication & navagation equipment	$ 4,889	$ 7,565
Circuit boards & instrumentation systems	5,020	4,959
The Levin Group:		
Retail furniture & appliances	15,893	—
Narrow Fabrics & tapes	4,789	—
Corporate interest income	—	936
Total	$ 30,591	$ 13,460

Common Stock Equity

	Total Equity	Equity Per Share +
1981	$ 7,461,200	$4.98
1980	7,897,200	5.29
1979	7,243,500	4.87
1978	6,698,000	4.50
1977	6,219,200	4.09

+ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended Jan. 31	1981	1980
Net sales	$ 29,355,100	$ 12,524,400
Other income	1,235,500	935,900
Total income	$ 30,590,600	$ 13,460,300
Cost of sales	20,534,900	9,335,100
Expenses	8,556,300	2,078,600
Interest expense	2,204,500	645,800
Income (loss) before taxes	$ (705,100)	$ 1,400,800
Income taxes (credit)	(131,300)	431,800
Preacquisition loss	(137,800)	—
Minority interest	—	315,300
Net Income	$ (436,000)	$ 653,700

* Included in Costs and Expenses, Depreciation and Amortization: $431,000 in 1980 and $162,700 in 1979.

Assets

As of Jan. 31	1980	1979
Cash	$ 273,900	$ 875,100
Accts. receiv., net	11,915,700	2,797,300
* Inventories	7,096,400	3,544,600
Deferred inc. taxes	543,600	72,400
Receiv. from former affil.	—	560,500
Prepaid expenses	352,600	257,800
Current Assets	$ 20,182,200	$ 8,107,700
Investment in former affil.	—	8,189,500
# Fixed assets	1,645,600	666,300
Goodwill	2,072,800	—
Deferred inc. taxes	35,500	—
Other assets	317,700	246,800
Total Assets	$ 24,253,800	$ 17,210,300

Liabilities

Notes payable	$ 10,242,200	$ 2,557,200
Long-term debt, curr.	570,500	439,000
Accts. payable	911,600	358,900
Accrued payroll	386,500	232,800
Other accruals	2,232,900	557,300
Income taxes	75,400	479,200
Curr. Liabilities	$ 14,419,100	$ 4,624,400
Deferred inc. taxes	—	11,700
Long-term debt	2,299,000	1,677,000
Note payable to affil. co.	—	3,000,000
Deferred credit	74,500	—
+ Common stock	148,600	148,600
Add. paid-in capital	3,314,500	3,314,500
Retained earnings	3,998,100	4,434,100
Total Liabilities & Shareholders' Equity	$ 24,253,800	$ 17,210,300

* At lower of cost (LIFO) or market; inventories of narrow fabrics and tape stated at FIFO.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	11.18
%Net Income to Sales	—	5.22
%Net Income to Equity	—	8.28
Sales to Inventories	4.14	3.53
Working Capital	$ 5,763,100	$ 3,483,300
Current Ratio	1.40	1.75
Shareholders' Equity	$ 7,461,200	$ 7,897,200

John Fluke Mfg. Co., Inc.

7001 220th Street S.W.
P.O. Box 43210
Mountlake Terrace, Washington 98043
(206) 774-2211

Officers: John M. Fluke, chairman of the board & chief executive officer; John W. Zevenbergen, president & chief operating officer; Everts L. Johns, vice president & treasurer; Jerome A. Froland, v.p.-operations; Frederick R. Hume, v.p.-technology & planning; Georges Sicotte, v.p.-mfg.; Marvin D. Moist, v.p.-int'l; Wheeler Grey, secretary.

Directors: John M. Fluke, Everts L. Johns, John W. Zevenbergen, Wheeler Grey, Robert Hofstadter, Richard B. Hooper, James B. Scruggs, Henry G. Dahl, Jr., John M. Fluke, Jr., N. Stewart Rogers.

Areas of Work: Designs, manufactures and sells commercial electronic test and measurement instruments and systems for scientific, educational, industrial and governmental applications. Products manufactured include digital and differential voltmeters, voltage/current calibrators, high voltage power supplies, frequency counters, frequency synthesizers, digital logic testers, digital thermometers, dataloggers, automatic test equipment, and systems components used and sold either individually or in manual or automatic test systems.

Subsidiaries:

Fluke International Sales Corporation
P.O. Box 7428
Seattle, Washington 98133
(206) 774-2211

Fluke Trendar Corporation
500 Clyde Avenue
Mountain View, California 94040
(415) 965-0350

Fluke (Nederland) B.V.
P.O. Box 5053
Industrieterrein Noord
Tilburg, The Netherlands

Fluke International Corporation
Colonial Way
Watford, Herts, WD24TT
England

Fluke (Deutschland) GmbH
4-Dusseldorf
Melneckestrasse 53, West Germany

Fluke (Pty.) Ltd.
P.O. Box 39797
Bramley 2018
South Africa

Instrument Specialists Sales Group
2020 No. Lincoln Street
Burbank, California 91504

CCI Sales Group
1400 Hicks Road
Rolling Meadows, Illinois 60008

SBM Representatives Sales Group
460 Colfax Avenue
Clifton, New Jersey 07013

Transfer Agent(s):

Peoples National Bank of Washington
1414 4th Avenue
Seattle, Washington 98111

Bradford Trust Company
P.O. Box 71
Bowling Green Station
New York, New York 10004

Stock Exchange(s): American, Pacific

Ticker Symbol: FKM

Number of Employees:

1980	2,631	1977	1,580
1979	2,631	1976	1,425
1978	1,874		

Plant Footage:

1980	386,000 sq. ft.	1977	228,000
1979	361,000	1976	228,000
1978	235,634		

* Mountlake Terrace and Everett facilities only.

Sales and Earnings

	Net Sales	Net Income
1980	$ 128,174,000	$ 9,625,000
1979	104,187,000	9,246,000
1978	79,491,000	6,796,000
1977	60,840,000	4,511,000
1976	49,201,000	3,700,000

	No. of Com. Shares#	Earn. per Share#
1980	6,170,391	$1.56
1979	6,097,471	1.52
1978	5,941,670	1.14
1977	5,873,018	0.77
1976	5,800,414	0.64

Based on average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	5%	—
1979	—	100%	—
1978	—	5%	—
1977	—	5%	—
1976	—	5%	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 53,357,000	$8.65
1979	42,606,000	6.99
1978	32,753,000	5.51
1977	25,262,000	4.30
1976	20,477,000	3.56

‡ Based on average number of shares outstanding adjusted to reflect stock dividends.

Income Account *
(000's)

Year ended Sept. 30	1980	1979
Net sales	$ 128,174	$ 104,187
Cost of sales	51,198	39,923
Expenses	58,711	47,771
Interest expense	1,953	932
Other income	(1,188)	(920)
Income before taxes	$ 17,500	$ 16,481
Income taxes	7,875	7,235
Net Income	$ 9,625	$ 9,246

* Included in Costs and Expenses, Depreciation and Amortization: $3,299,000 in 1980 and $2,468,000 in 1979.

Assets
(000's)

As of Sept. 30	1980	1979
Cash	$ 4,937	$ 4,415
Accts. receiv., net	28,014	26,247
*Inventories	30,298	27,077
Prepaid inc. taxes	1,584	1,330
Prepaid expenses	839	708
Current Assets	$ 65,672	$ 59,777
#Fixed assets	39,918	19,765
Other assets	1,665	1,136
Total Assets	$ 107,255	$ 80,678

Liabilities
(000's)

Notes payable	$ —	$ 4,000
Long-term debt, curr.	1,151	569
Accts. payable	8,439	8,092
Accruals	10,627	9,054
Income taxes	631	2,041
Curr. Liabilities	$ 20,848	$ 23,756
Long-term debt	27,276	11,222
Deferred comp.	1,898	602
Deferred inc. taxes	3,876	2,492
+Common stock	1,553	1,459
Add. paid-in capital	23,152	14,657
Retained earnings	28,652	26,490
Total Liabilities & Shareholders' Equity	$ 107,255	$ 80,678

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.65	15.82
%Net Income to Sales	7.51	8.87
%Net Income to Equity	18.04	21.70
Sales to Inventories	4.23	3.85
Working Capital	$ 44,824,000	$ 36,021,000
Current Ratio	3.15	2.52
Shareholders' Equity	$ 53,357,000	$ 42,606,000

Johnson & Johnson

501 George Street
New Brunswick, New Jersey 08903
(201) 524-0400

Officers: James E. Burke, chairman of the board & chief executive officer; David R. Clare, president & chairman of the executive committee; Lawrence G. Foster, v.p.-public relations; William J. Haines, v.p.-science & technology; John J. Heldrich, v.p.-administration; Robert E. Campbell, v.p.-finance; William J. Ryan, secretary; George S. Frazza, general counsel; Andrew J. Markey, treasurer.

Directors: James E. Burke*, Robert E. Campbell, David R. Clare*, Joan G. Cooney, Victor J. Dankis*, Frank DeAngeli*, Robert S. Hatfield, John J. Heldrich*, Donald D. Johnston*, Donald S. MacNaughton, Robert Q. Marston, Arthur M. Quilty*, Herbert G. Stolzer*, Verne M. Willaman*, William O. Baker, Thomas S. Murphy.

*Member of the Executive Committee.

Areas of Work: The Company's worldwide business is divided into four industry segments: Consumer, Professional, Pharmaceutical and Industrial.

The Consumer segment consists of toiletries and hygienic products, including baby care items, first aid products and nonprescription drugs.

The Professional segment includes ligatures and sutures, diagnostic products, dental products, medical equipment and devices, surgical dressings, surgical specialties, surgical instruments and related items used principally by the professional fields, including hospitals, physicians, dentists, diagnostic laboratories and clinics.

The Pharmaceutical segment is principally prescription drugs, including contraceptives and therapeutics, and veterinary products, which are distributed both directly and through wholesalers for use by health care professionals and the general public.

The Industrial segment includes textile products, industrial tapes and adhesives, collagen sausage castings and fine chemicals. These products are, in general, not end-use products available to or used by the general public, but are either converted or consumed by industrial users in the course of their business activities.

Technicare Corporation
Solon, Ohio, Denver, Colorado; Somerset, New Jersey.
Offers physicians products in three of the most important diagnostic imaging fields; computed tomography (CT) scanning, ultrasonic imagers and nuclear medicine systems.

Acquisition(s):

Technicare Corporation
29100 Aurora Road
Solon, Ohio 44139

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Canada Permanent Trust Company
Canada Permanent Tower
20 Eglinton Avenue West
Yonge Eglinton Center
Toronto, Ontario, Canada

Stock Exchange(s): New York, Toronto

Ticker Symbol: JNJ

Number of Employees:

1980	74,300	1977	60,500
1979	71,800	1976	57,900
1978	67,000		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 4,837,400	$ 400,700
1979	4,211,571	352,060
1978	3,497,334	299,060
1977	2,914,081	247,318
1976	2,522,510	205,376

	No. of Com. Shares ‡	Earn. per Share ‡
1980	61,600,000	$6.50
1979	61,103,000	5.76
1978	59,775,000	5.00
1977	58,432,000	4.23
1976	58,191,000	3.53

‡ Based on the average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Consumer	$ 2,124,700	$ 1,827,384
Professional	1,540,500	1,347,460
Pharmaceutical	868,800	702,177
Industrial	303,400	334,550
Total	$ 4,837,400	$ 4,211,571

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.23	—	—
1979	2.00	—	—

1978	1.70	—	—
1977	1.40	—	—
1976	1.05	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$2,269,100,000	$36.71
1979	1,986,646,000	32.46
1978	1,700,828,000	28.42

Income Account *
(000's)

Year ended	12/28/80	12/30/79
Net sales	$ 4,837,400	$ 4,211,571
Other income	76,400	66,410
Total income	$ 4,913,800	$ 4,277,981
Cost of sales	2,427,100	2,142,913
Expenses	1,794,200	1,505,242
Currency losses (gains)	(400)	4,024
Other expenses	17,600	34,110
Income before taxes	$ 675,300	$ 591,692
Income taxes	274,600	239,632
Net Income	$ 400,700	$ 352,060

* Included in Costs and Expenses, Depreciation and Amortization: $138,700,000 in 1980 and $121,217,000 in 1979.

Assets
(000's)

As of	12/28/80	12/30/79
Cash & cert. of deposit	$ 92,800	$ 127,340
Marketable securities	266,300	184,025
Accts. receiv., prepaid exp. & other	763,100	661,371
*Inventories	848,800	745,434
Current Assets	$ 1,971,000	$ 1,718,170
Marketable securities	143,900	144,694
#Fixed assets	1,161,900	947,783
Other assets	65,700	63,307
Total Assets	$ 3,342,500	$ 2,873,954

Liabilities
(000's)

Loans & notes payable	$ 167,000	$ 96,382
Accts. payable	283,500	237,112
Accruals	250,800	210,816
Income taxes	72,200	84,577
Curr. Liabilities	$ 773,500	$ 628,887
Long-term debt	70,100	69,549
Cert. of extra compens.	32,800	30,104
Minority interests	9,500	8,195
Deferred inc. tax cred.	23,700	20,614
Other liabilities	163,800	129,959
+Common stock	154,700	153,226
Add. paid-in capital	175,200	158,069
Retained earnings	1,940,100	1,676,298
Treasury stock	(900)	(947)
Total Liabilities & Shareholders' Equity	$ 3,342,500	$ 2,873,954

* At lower of cost (FIFO or LIFO) or market.
# Less accumulated depreciation and amortization.
+ $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.96	14.05
%Net Income to Sales	8.28	8.36
%Net Income to Equity	17.66	17.72
Sales to Inventories	5.70	5.65
Working Capital	$1,197,500,000	$1,089,283,000
Current Ratio	2.55	2.73
Shareholders' Equity	$2,269,100,000	$1,986,646,000

Johnson Controls, Inc.

5757 North Green Bay Avenue
P.O. Box 591
Milwaukee, Wisconsin 53201
(414) 228-1200

Officers: Fred L. Brengel, president & chief executive officer; J. William Brask, William P. Chapman, Milton C. Zilis, William L. Rootham, Richard D. Wilson, Frank M. Sterner, vice presidents; James H. Keyes, v.p., chief financial officer & treasurer; Thomas B. Whitten, corp. controller; Charles R. Whitburn, asst. controller; Kenneth J. Kammerrad, secretary; Kenneth E. Voss, Florence Klatt, asst. secretaries; Vincent R. Peterson, asst. treasurer.

Directors: Ettore Barbatelli, Clarence A. Bickel*, Fred L. Brengel*, Seymour F. Johnson, Richard J. Murphy*, Ralph S. Penn*, John S. Randall*, William L. Rootham, George L. Vargas, Donald Taylor, Robert T. Foote, James L. Krum, R. Douglas Ziegler.

*Member of the Executive Committee.

Areas of Work: Engaged in the development, production and servicing of computer systems designed for building automation, fire safety and security and energy systems; manufactures and markets auto batteries and electronic components.

Divisions:

Systems & Services Division
Provides building automation systems and products which can monitor and control every phase of a building's operations including energy conservation, fire safety and security.

Protective Systems Division
Manufactures, sells and supervises the installation of fire alarm systems and smoke detectors for schools, offices, commercial, residential and industrial buildings.

Systems Engineering & Construction Division
Designs, installs and maintains industrial instrumentation systems.

Controls Product Division
Designs, produces and distributes energy related products to other original equipment manufacturers. Penn products include a complete line of automatic temperature pressure and flow controls for air conditioning, refrigeration commercial and residential heating, water pumping and gas burning equipment.

Globe International Division
Sells battery process equipment and licenses related technology overseas.

Battery Division
Manufactures and sells rechargeable lead-acid batteries.

Electronics Division
Manufactures ceramic disc and monolithic capacitors, switches, variable resistors and thick film circuits for the telecommunications, automotive, home entertainment, military, computer and instrumentation markets.

Control Valve Division
Produces products used primarily in the industrial, chemical, petrochemical and power generation industries. Among these products are diaphragm operated control valves, displacement level controllers and pressure regulators.

Power & Process Piping Division
Supplies fabricated pipe and related hardware to the country's power generating industries for conventional fossil fuel and nuclear power plants.

Subsidiaries:

Johnson Controls International, Inc.
Milwaukee, Wisconsin

Kieley and Mueller, Inc.
Middletown, New York

Associated Piping & Engineering Corp.
Compton, California

S.A. Johnson Control N.V.
Brussels, Belgium

Johnson Controls, Ltd.
Toronto, Ontario, Canada

Johnson Control Systems Limited
Leatherhead, Surrey, England

Johnson Control France S.A.R.L.
Courbevoie, France

Johnson Controls Nederland, B.V.
Leeuwarden, Netherlands

Johnson Control S.p.A.
Milan, Italy

Johnson Controls S.A./A.G.
Geneva, Switzerland

Johnson Controls
Nihon K.K.
Japan

Transfer Agent(s):

First Wisconsin Trust Co.
P.O. Box 2054
Milwaukee, Wisconsin 53201

Stock Exchange(s): New York

Ticker Symbol: JCI

Number of Employees:

1980*	18,500	1977	11,750
1979*	18,800	1976	10,600
1978	23,000		

* Of continuing operations only.

Plant Footage:

1980	5,000,000 sq. ft.	1977	2,034,000
1979	5,264,000	1976	2,018,000
1978	5,264,000		

Sales and Earnings

	Net Sales +	Net Income
1980	$964,854,000	$ 33,693,000
1979	921,349,000	49,920,000
1978	575,908,000	37,200,000
1977	372,782,000	23,961,000
1976	323,007,000	16,483,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	12,962,271	$2.41
1979	12,826,603	3.58
1978	9,593,203	3.33
1977	8,322,750	2.76
1976	7,231,724	1.91

+ Of continuing operations only.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$1.20	—	—
1979	1.10	—	—
1978	1.025	—	—
1977	0.75	—	2-for-1
1976	0.475	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$295,302,920†	$23.38
1979	276,893,960†	22.20
1978	259,231,260†	21.05
1977	117,780,000	13.65
1976	81,197,000†	22.45

† After allowing for preferred stock at liquidation value.

Income Account *
(000's)

Year ended Sept. 30	1980	1979
Net Sales	$ 964,854	$ 921,349
Cost of sales	740,695	696,948
Expenses	157,199	141,253
Oper. profit	$ 66,960	$ 83,148
Other income	(5,753)	(8,211)
Total	$ 72,713	$ 91,359
Interest expense	11,623	12,837
Income before taxes	$ 61,090	$ 78,522
Income taxes	27,069	32,933
Income from cont. oper.	$ 34,021	$ 45,589
Income (loss) from discont. oper.	(328)	4,331
Net Income	$ 33,693	$ 49,920

* Included in Costs and Expenses, Depreciation and Amortization: $21,178,000 in 1980 and $18,714,000 in 1979.

Assets
(000's)

As of Sept. 30	1980	1979
Cash & invest.	$ 25,709	$ 19,329
Accts. receiv., net	178,878	182,523
Contract costs in excess of billings	28,042	31,051
* Inventories	145,084	171,387
Other assets	9,168	9,143
Current Assets	$ 386,881	$ 413,433
# Fixed assets	201,896	202,071
Other assets	86,556	87,293
Total Assets	$ 675,333	$ 702,797

Liabilities
(000's)

	1980	1979
Notes payable	$ 4,304	$ 59,827
Long-term debt, curr.	4,787	4,797
Accts. payable	45,373	38,756
Accruals	26,730	28,065
Billings in excess of costs	100,030	83,920
Income taxes	11,094	19,090
Other liabilities	39,140	36,878
Curr. Liabilities	$ 231,458	$ 271,333
Long-term debt	107,687	116,930
Deferred inc. taxes	8,123	4,774
+ Preferred stock	819	822
+ + Common stock	12,998	12,936
Add. paid-in capital	158,461	157,052
Retained earnings	155,787	139,304
Treasury stock	—	(354)
Total Liabilities & Shareholders' Equity	$ 675,333	$ 702,797

* At lower of cost (FIFO & LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value; convertible Series B.
+ + $1.00 par value.

Statistical Summary

	1980	1979
%Net Income to Equity	10.27	16.12
Sales to Inventories	6.65	5.38
Working Capital	$155,423,000	$142,100,000
Current Ratio	1.67	1.52
Shareholders' Equity	$328,065,000	$309,760,000

E. F. Johnson Company

299 Tenth Avenue Southwest
Waseca, Minnesota 56093
(507) 835-6222

Officers: Richard E. Horner, chairman of the board & president; Richard A. Westrum, sr. v.p.-operations; D. Duane Morris, v.p.-manufacturing; Carl H. Insel, v.p. & gen. mgr.-radio products div.; Howard A. Sahlstrom, v.p.-finance & treasurer; Bruce E. Pontius, v.p.-engineering, radio products division; Ralph W. May, v.p.-gen. mgr., Rydax, Inc.; Robert J. Telma, controller; Joyce A. Thompsen, secretary.

Directors: Edgar F. Johnson, Robert A. Burgin, Charles W. Oswald, Charles M. Denny, Jr., James C. Harris, Richard E. Horner, Robert J. Johnson, W.G. Shepherd.

Areas of Work: Operates in two business segments: two-way radio communications and electronic components. Designs, manufactures and sells two-way radio equipment for application to mobile communications requirements. In addition, designs and manufactures electronic components for sale to manufacturers of radios and other electronic equipment.

Subsidiaries:

Rydax, Inc.
Palo Alto, California

Johnson American, Inc.
Garner, Iowa

Transfer Agent(s):

Northwestern National Bank of Minneapolis
Seventh & Marquette
Minneapolis, Minnesota 55480

Northwestern Trust Company
New York, New York

Stock Exchange(s): New York

Ticker Symbol: JEF

Number of Employees:

1980	1,164	1977	1,846
1979	1,172	1976	2,621
1978	1,282		

Sales and Earnings

	Net Sales	Net Income †
1980	$ 42,802,000	$ 3,082,000
1979	44,010,000	2,435,000
1978	41,201,000	1,505,000
1977	53,330,000	(18,971,000)
1976	82,014,000	260,000

	No. of Com. Shares #	Earn. per Share † #
1980	2,606,665	$1.17
1979	2,600,095	0.94
1978	2,599,595	0.59
1977	2,531,000	—
1976	2,550,000	0.10

(Loss)

† Including extraordinary gains of $1,261,000 ($0.48 per share) in 1980, $1,120,000 ($0.43 per share) in 1979 and $140,000 ($0.06 per share) in 1978.

# Based on the weighted average number of common shares.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$ —	—	—
1979	—	—	—
1978	—	—	—
1977	0.20	—	—
1976	0.80	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 17,223,000	$6.61
1979	14,133,000	5.44
1978	11,546,000	4.44
1977	9,836,000	3.89
1976	29,311,000	11.58

Income Account *

Year ended Dec. 31	1980	1979
Net Sales	$ 42,802,000	$ 44,010,000
Other income	642,000	764,000
Total income	$ 43,444,000	$ 44,774,000
Cost of sales	25,540,000	26,731,000
Expenses	14,607,000	13,236,000
Contrib. to profit sharing trust	132,000	408,000
Gain on sale	1,250,000	—
Interest expense	1,089,000	1,898,000
Other charges	204,000	66,000
Income before taxes	$ 3,122,000	$ 2,435,000
Income taxes	1,301,000	1,120,000
Net Income	$ 1,821,000	$ 1,315,000
Extraord. gain	1,261,000	1,120,000
Net Income & extraord. gain	$ 3,082,000	$ 2,435,000

* Included in Costs and Expenses, Depreciation: $1,590,000 in 1980 and $1,618,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 352,000	$ 239,000
Accts. & contracts receiv., net	9,888,000	9,720,000
*Inventories	13,119,000	11,368,000
Prepaid expenses	197,000	409,000
Current Assets	$ 23,556,000	$ 21,736,000
Fixed assets	5,470,000	5,171,000
Other assets	2,540,000	5,802,000
Total Assets	$ 31,566,000	$ 32,709,000

Liabilities

	1980	1979
Long-term debt, curr.	$ 695,000	$ 699,000
Accts. payable	4,014,000	3,885,000
Accruals	1,396,000	1,675,000
Employee profit sharing trust	132,000	408,000
Curr. Liabilities	$ 6,237,000	$ 6,667,000
Long-term debt	7,357,000	11,509,000
Deferred comp.	749,000	400,000
+Common stock	1,315,000	1,304,000
Add. paid-in capital	15,277,000	15,110,000
Retained earnings (deficit)	981,000	(2,101,000)
Treasury stock (Loss)	(350,000)	(61,000)
Unearned compens. exp.	—	(119,000)
Total Liabilities & Shareholders' Equity	$ 31,566,000	$ 32,709,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
$0.50 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	7.29	5.53
%Net Income to Sales	4.25	2.99
%Net Income to Equity	10.57	9.30
Sales to Inventories	3.26	3.87
Working Capital	$ 17,319,000	$ 15,069,000
Current Ratio	3.78	3.26
Shareholders' Equity	$ 17,223,000	$ 14,133,000

Joslyn Mfg. and Supply Co.

2 North Riverside Plaza
Chicago, Illinois 60606
(312) 454-2920

Joslyn Mfg. and Supply Co.

Officers: Donald B. Hamister, chairman of the board & president; Alwyn A. deSouza, group v.p.-Protective Equipment Group; Kenneth R. Roza, group v.p.-Hardware Group; Ronald F. Huber, v.p.-gen. mgr., research & development div.; Richard A. Kruk, v.p., general counsel & secretary; Roland E. Mattson, v.p.-gen. mgr., Galvanizing Div.; Raymond E. Micheletti, v.p., gen. mgr., Hi-Voltage Equipment Div.; Donald G. Powell, v.p.-gen. mgr., Pinco Div.; C. Richard Barton, v.p.; Walter W. Schoenholz, v.p.-treasurer; Lawrence G. Wolski, v.p. & chief financial officer.

Directors: Donald B. Hamister, chairman of the board; Alwyn A. deSouza, James H. Ingersoll, Kenneth R. Roza, Edwin E. Hodgess, Jr., Russell R. Malik.

Areas of Work: Engaged in manufacturing and supplying electric power and telephone companies with electrical apparatus and services used in construction and maintenance of transmission and distribution facilities. Also manufactures aircraft lightning arresters and electronic systems for suppression of voltage and current surges. Also, produces forgings, provides custom hot dip galvanizing .

Subsidiaries:

J.C. Liquidating, Inc.

Joslyn Industries (Canada) Ltd.
56 Charles Street
Newmarket, Ontario, Canada
(416) 895-5151

Little, Haugland and Kerr Limited
P.O. Drawer 280
Terrace, British Columbia
(604) 635-6295

Affiliates:

Porcelanas Pinco S.A. de C.V. (49% owned)
Mexico City, Mexico

Transfer Agent(s):

The First National Bank of Chicago
Chicago, Illinois 60670

Stock Exchange(s): Over-the-Counter

Ticker Symbol: JOSL (NASDAQ)

Number of Employees:

1980	2,000	1977	3,335
1979	2,475	1976	3,225
1978	3,100		

Sales and Earnings

	Net Sales +	Net Income
1980	$143,843,000	$ 12,620,000
1979	144,328,000	8,429,000
1978	127,305,000	4,264,000
1977	114,186,000	4,726,000
1976	108,788,000	4,414,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	2,367,888	$5.33
1979	2,372,888	3.55
1978	2,372,888	1.80
1977	2,487,298	1.90
1976	2,492,888	1.77

+ Of continuing operations only.
‡ Based on average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Conductor support	$ 87,521	$ 95,137
Protective equip.	60,247	49,839
Other	630	2,298
Eliminations	(4,555)	(2,946)
Total	$ 143,843	$ 144,328

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.48	—	—
1979	1.23	—	—
1978	1.20	—	—
1977	1.17	—	—
1976	1.17	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 88,722,000	$37.51
1979	79,836,000	33.64
1978	74,325,000	31.32
1977	72,908,000	30.73
1976	72,944,000	29.36

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$143,843,000	$144,328,000
Cost of sales	110,498,000	110,264,000
Expenses	14,474,000	16,670,000
Profit sharing plan	1,764,000	1,614,000
Gen. corp. expenses	3,557,000	3,698,000
Interest expense	2,378,000	2,398,000
Other income	(2,530,000)	(1,283,000)
Income before taxes	$ 13,702,000	$ 10,967,000
Income taxes	6,150,000	5,160,000
Income from cont. oper.	$ 7,552,000	$ 5,807,000
Income from discont oper.	5,068,000	2,622,000
Net Income	$ 12,620,000	$ 8,429,000

* Included in Costs and Expenses, Depreciation: $2,042,000 in 1980 and $1,897,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash & short-term invest.	$ 26,776,000	$ 7,934,000
Accts. receiv., net	17,594,000	19,735,000
* Inventories	29,875,000	38,155,000
Assets of discont. oper.	26,075,000	13,605,000
Current Assets	$100,320,000	$ 79,429,000
# Fixed assets	28,491,000	25,282,000
Prepaid expenses & other assets	5,375,000	4,498,000
Assets of discont. oper.	—	13,974,000
Total Assets	$134,186,000	$123,083,000

Liabilities

	1980	1979
Loans payable	$ —	$ 634,000
Long-term debt, curr.	1,000,000	—
Accts. payable	4,614,000	6,716,000
Accruals	12,082,000	11,113,000
Income taxes	6,760,000	2,130,000
Curr. Liabilities	$ 24,456,000	$ 20,593,000
Long-term debt	19,000,000	20,000,000
Deferred inc. taxes	2,008,000	2,654,000
+ Common stock	3,116,000	3,116,000
Retained earnings	87,649,000	78,565,000
Treasury stock	(2,043,000)	(1,845,000)
Total Liabilities & Shareholders' Equity	$134,186,000	$123,083,000

* At lower of cost (LIFO, FIFO or average) or market.
# Less accumulated depreciation.
+ $1.25 par value.

Statistical Summary

	1980	1979
%Net Income to Equity	14.22	10.56
Sales to Inventories	4.81	3.78
Working Capital	$ 75,864,000	$ 58,836,000
Current Ratio	4.10	3.86
Shareholders' Equity	$ 88,772,000	$ 79,836,000

Julie Research Laboratories, Inc.

211 West 61st Street
New York, New York 10023
(212) 245-2727

Officers: Loebe Julie, president & treasurer; Ora Julie, v.p. & secretary.

Directors: Loebe Julie, Ora Julie.

Areas of Work: Manufactures instruments and modular components. One product is a fully-instrumented system of AC and DC measurement. Other products include voltage dividers, operational amplifiers, preamplifiers, current sources, decade resistor boxes, resistors networks, and resistance standards, interface systems and tools for ultra-precise measurements.

Divisions and Subsidiaries:

Optimation Division
211 West 61 Street
New York, New York 10023

Transfer Agent(s):

Chemical Bank
770 Broadway
New York, New York 10015

Stock Exchange(s): Over-the-Counter

Number of Employees:

1981 38

Plant Footage:

1981 ...... 18,000 sq. ft.

Sales and Earnings ‡

	Net Sales	Net Income
1980	$ 1,410,352	$ 79,217
1979	875,262	27,715
1978	930,440	53,637
1977	1,114,307	66,098
1976	971,459	80,948

	No. of Com. Shares	Earn. per Share †
1980	417,514	$0.19
1979	417,514	0.07
1978	420,514	0.13
1977	420,514	0.16
1976	420,514	0.19

‡ Unaudited.
† Based on weighted average number of common shares outstanding.

Common Stock Equity ‡

	Total Equity	Equity Per Share
1980	$ 310,774	$0.74
1979*	231,557	0.55
1978	205,221	0.49
1977	151,584	0.36
1976	85,486	0.20

‡ Unaudited.

Income Account *

Year ended Dec. 31	1980	1979‡
Net sales	$ 1,410,352	$ 875,262
Cost of sales	926,735	549,007
Expenses	404,400	298,540
Net Income	$ 79,217	$ 27,715

‡ Unaudited.
* Included in Costs and Expenses, Depreciation and Amortization: $2,838 in 1980 and $3,211 in 1979.

Assets ‡

As of Dec. 31	1980	1979
Cash & cash equiv.	$ 263,236	$ 20,898
Accts. receiv., net	192,929	108,627
* Inventories	76,542	262,972
Prepaid expenses	4,575	5,979
Current Assets	$ 537,282	$ 398,476
# Fixed assets	19,957	12,177
Total Assets	$ 557,239	$ 410,653
Liabilities		
Accts. payable	$ 25,670	$ 11,052
Accruals	170,261	75,561
Loan payable	41,534	83,483
Curr. Liabilities	$ 237,465	$ 170,096
Reserve for retirement bonus	9,000	9,000
Deferred income	—	—
+ Common stock	442,497	442,497
Add. paid-in capital	154,582	154,582
Deficit	(153,382)	(232,599)
Treasury stock	(132,923)	(132,923)
Total Liabilities & Shareholders' Equity	$ 557,239	$ 410,653

‡ Unaudited.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Net Income to Sales	5.62	3.17
%Net Income to Equity	25.49	11.97
Sales to Inventories	18.43	3.33
Working Capital	$ 299,817	$ 228,380
Current Ratio	2.26	2.34
Shareholders' Equity	$ 310,774	$ 231,557

Kaman Corporation

Old Windsor Road
Bloomfield, Connecticut 06002
(203) 243-8311

Officers: Charles H. Kaman, president; Stewart A. Bliss, executive vice president; Maurice P. Andrien, Jr., Lucian E. Baldwin, Fred L. Smith, Robert D. Moses, vice presidents; John S. Murtha, secretary; Bailes T. Nezames, v.p.-finance; William P. Desautelle, treasurer; Lawrence G. Arnold, Eugene G. Daly, James A. Morholt, Russell H. Jones, asst. v.p.'s; Roger W. Roy, asst. controller; Glenn M. Messemer, asst. v.p. & asst. secretary; Robert H. Saunders, Jr., controller.

Directors: Stewart A. Bliss*, Charles H. Kaman*, John S. Murtha*, John B. Plott, Frederick D. Watkins, Carlyle F. Barnes, Robert H. Willis, D. Brainerd Holmes, Robert L. Newell, Richard F. Gottier.

*Member of Executive Committee.

Areas of Work: Manufacture of musical instruments; aerospace products; nuclear research and nuclear devices; aviation services; industrial parts and services; environmental instrumentation such as digital radiation monitors; computer time sharing; measuring devices.

Divisions and Subsidiaries:

Sciences Group
Neutron generators, advanced materials, measuring devices, weapons studies, nuclear research, advanced aerodynamics, computer time-sharing and programs, and systems analysis.

Kaman Sciences Corporation
Garden of the Gods Road
Colorado Springs, Colorado 80907

Music Group
Acoustic and electric guitars, accessories, musical strings; pianos, a complete line of musical instruments and repair.

Coast Wholesale Music Co. of Los Angeles
1215 W. Walnut Street
Compton, California 90220

Coast Wholesale Music Co. of San Francisco
200 Industrial Way
San Carlos, California 94070

Ovation Instruments, Inc.
Bloomfield, Connecticut 06057

Kaman Musical String Corporation
Bloomfield, Connecticut

C. Bruno & Son, Inc.
San Antonio, Texas
Wheeling, Illinois
Bloomfield, Connecticut
Atlanta, Georgia
Currier Piano Company, Inc.
Marion, North Carolina 28752

Aerospace Group
Airframe components; rotary wing, energy systems, research and development; bearings, couplings.

Kaman Aerospace Corporation
Bloomfield, Connecticut 06002

Kamatics Corporation
Bloomfield, Connecticut 06002

Aviation Services Group
Aircraft sales and services, fuel, repair, charter service, flight training and airline services.

AirKaman, Incorporated
Bradley International Airport
Windsor Locks, Connecticut 06096

AirKaman of Omaha, Inc.
Eppley Airfield
Box 19064
Omaha, Nebraska 68119

AirKaman of Jacksonville, Inc.
Jacksonville International Airport
Box 18157
Jacksonville, Florida 32229

Bearing & Supply Group
Line of new and replacement parts for industrial operations. Consulting services in power transmission, material handling and industrial operations.

Kaman Bearing and Supply Corp. of California
Kaman Bearing & Supply Co.
140 S. Arrowhead Avenue
San Bernardino, California 92408

Kaman Bearing and Supply Corp. Intermountain
1771 South 450 West
Salt Lake City, Utah 84110

Kaman Bearing and Supply Corp. Northwest
East 4115 Trent Avenue
Spokane, Washington 99220

Kaman Bearing and Supply Corp. East
5900 Firestone Drive
Syracuse, New York 13221

The Bearing House of Santa Maria, Inc.
Santa Maria, California

Acquisition(s):

United Industrial Supply, Inc.
Garden Grove, California

Trans-Power, Inc.
Fort Wayne, Indiana

K&S Bearings, Inc.
Inglewood, California

Transfer Agent(s):

Hartford National Bank & Trust Co.
150 Windsor Street
Hartford, Connecticut 06120

Stock Exchange(s): Over-the-Counter

Ticker Symbol: KAMNA (NASDAQ)

Number of Employees:

1980	4,185	1977	3,346
1979	4,083	1976	3,083
1978	3,725		

Sales and Earnings

	Net Sales	Net Income
1980	$381,380,000	$ 8,054,000
1979	325,689,000	7,373,000
1978	262,834,574	6,374,757
1977	214,280,617	5,442,954
1976	184,368,529	4,662,094

	No. of Com. Shares#	Earn. per Share ‡
1980	2,204,231	$3.61
1979	2,170,420	3.34
1978	2,154,169	3.07
1977	1,841,006	2.81

# Adjusted to reflect stock split.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1980 (000's)	%	1979 (000's)	%
Bearing & supply	$167,889	44%	$139,739	43%
Aerospace	62,162	16	46,615	14
Music	52,030	14	56,795	18
Aviation services	66,336	17	59,628	18
Sciences	32,963	9	22,912	7
Total	$381,380	100%	$325,689	100%

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.84	—	—
1979	0.80	—	—
1978	0.70	—	2-for-1
1977	0.575	—	—
1976	0.50	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 62,357,000	$28.29
1979	55,555,000	25.60
1978	49,697,589	23.07
1977	41,603,668‡	21.85

‡ After allowing for preferred stock at par value.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$381,380,000	$325,689,000
Cost of sales	288,735,000	246,524,000
Expenses	72,497,000	61,013,000
Oper. profit	$ 21,148,000	$ 18,152,000
Other income	892,000	651,000
Total	$ 21,040,000	$ 18,803,000
Interest expense	5,388,000	4,769,000
Income before taxes	$ 15,652,000	$ 14,034,000
Income taxes	7,598,000	6,661,000
Net Income	$ 8,054,000	$ 7,373,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,393,000 in 1980 and $2,290,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 1,817,000	$ 2,302,000
Accts. receiv., net	53,284,000	46,497,000
*Inventories	63,303,000	62,055,000
Prepaid expenses	875,000	998,000
Current Assets	$119,279,000	$111,852,000
#Fixed assets	18,577,000	18,003,000
‡Leased equip. under cap.leases	2,209,000	2,280,000
Other assets	4,544,000	4,729,000
Total Assets	$144,609,000	$136,864,000

Liabilities

Notes payable	$ 2,225,000	$ 2,045,000
Long-term debt, curr.	1,907,000	1,493,000
Oblig. under cap. leases, curr.	254,000	85,000
Accts. payable	24,315,000	22,523,000
Accruals	8,308,000	8,825,000
Accrued payroll	3,636,000	3,771,000
Dividends payable	485,000	434,000
Income taxes	1,417,000	994,000
Curr. Liabilities	$ 42,547,000	$ 40,170,000
Long-term debt	35,573,000	37,337,000
Long-term oblig. under cap. leases	2,084,000	2,216,000
Deferred credits	2,048,000	1,586,000
+Common stock		
Class A	2,191,000	2,191,000
Class B	93,000	93,000
Add. paid-in capital	19,286,000	18,877,000
Retained earnings	41,480,000	35,267,000
Treasury stock	(693,000)	(873,000)
Total Liabilities & Shareholders' Equity	$144,609,000	$136,864,000

* Inventory of merchandise for resale and parts are stated at cost (FIFO) or market, whichever is lower.
# Less accumulated depreciation.
‡ Less accumulated amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.10	4.31
%Net Income to Sales	2.11	2.26
%Net Income to Equity	12.92	13.27
Sales to Inventories	6.02	5.25
Working Capital	$ 76,732,000	$ 71,682,000
Current Ratio	2.80	2.78
Shareholders' Equity	$ 62,357,000	$ 55,555,000

Kearney National Inc.

200 Park Avenue
New York, New York 10166
(212) 972-9590

Officers: Bushrod W. Burns, Jr., chairman of the board; Richard A. Donovan, president & chief executive officer; Joseph L. Aurichio, v.p.-finance & administration, secretary & treasurer; James E. Coane, v.p.-operations, planning, & control; Robert W. Hendricks, v.p.; Guy E. Marge, v.p.-marketing; James F. Zboyovsky, v.p.; A. Dippolito, asst. secretary & asst. treasurer, staff v.p.

Directors: Bushrod W. Burns, Jr., chairman; Richard A. Donovan, Robert R. Dyson, Dante C. Fabiani, John C. Harding III, Franklin H. Kissner, Ralph L. Shapcott.

Areas of Work: Manufactures switching, connection, and protective products for the electrical power industry. Also produces flagpoles, lighting poles, magnetic coated tape for the computer and information processing industries. The Wabash Division manufactures conventional and molded electrical computer and information processing industries. The Wabash coils, transformers, high voltage power supplies, reed switches, reed and mercury relays and electrical and mechanical parts for the automobile market.

Divisions:

Kearney Division
1928 Montreal Road
Tucker, Georgia 30084

Kearney-National (Canada) Ltd.
430 Elizabeth Street
Guelph, Ontario N1H 6M4
Canada

Hapco Division
Hillman Highway
Abingdon, Virginia 24210

American Flagpole Division
1585-H Smithtown Avenue
Bohemia, New York 11716

Wabash, Inc.
200 East Daniels Road
Palatine, Illinois 60067

Wabash Tape Corporation
221 East Main Street
Huntley, Illinois 60141

Wabash Tape (Canada) Ltd.
3135 Universal Drive
Mississauga, Ontario L4X 2E6
Canada

Wabash Tape (U.K.) Ltd.
43 Redhills Road
South Woodham Ferrers
Chelmsford
Essex, England CM3 6JF

Wabash Magnetics Division
First & Webster Streets
Wabash, Indiana 46992

Wabash Relay & Electronics Division
First & Webster Streets
Wabash, Indiana 46992

International Products & Manufacturing, Inc.
200 East Daniels Road
Palatine, Illinois 60067

Transfer Agent(s):

St. Louis Union Trust Company
510 Locust Street
St. Louis, Missouri 63101

Stock Exchange(s): Over-the-Counter

Ticker Symbol: KERN (NASDAQ)

Sales and Earnings

	Net Sales +	Net Income
1980	$ 60,885,000	$ 2,791,000
1979	61,217,000	(1,107,000)
1978	56,652,000	561,000
1977	50,043,000	(1,447,000)
1976	47,191,000	2,215,000

	No. of Com. Shares	Earn. per Share
1980	2,217,668	$1.26
1979	2,217,168	—

(Loss)
+ Of continuing operations only.

Revenues By Line of Business

	1980	1979
Electrical power distr. equip.	$ 49,237,000	$ 50,808,000
Light poles, brackets & flagpoles	11,648,000	10,409,000
Total	$ 60,885,000	$ 61,217,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$ —	—	—
1979	—	—	—
1978	—	—	—
1977	0.40	—	—
1976	0.48	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 19,204,000	$8.66
1979	16,411,000	7.40

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 60,885	$ 61,217
Cost of sales	44,330	43,922
Expenses	11,220	11,969
Interest expense	1,126	1,009
Other income	(965)	(363)
Income before taxes	$ 5,174	$ 4,680
Income taxes	2,383	2,254
Income from cont. oper.	$ 2,791	$ 2,426
Loss from discont. oper.	—	(3,533)
Net Income (Loss)	$ 2,791	$ (1,107)

* Included in Costs and Expenses, Depreciation and Amortization: $737,000 in 1980 ad 734,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 361	$ 1,597
Temp. cash invest.	7,360	4,000
Accts. receiv., net	9,904	12,742
* Inventories	8,806	12,861
Deferred inc. tax benefits	611	1,436
Prepaid expenses	128	92
Current Assets	$ 27,170	$ 32,728
# Fixed assets	6,986	9,340
Deferred inc. tax benefits	132	317
Defer. charges & other assets	1,219	489
Invest. in Wabash	16,518	—
Intangibles	3,026	3,028
Total Assets	$ 55,051	$ 45,902

Liabilities
(000's)

Long-term debt, curr.	$ 1,185	$ 1,283
Accts. payable	5,514	7,886
Accruals	4,425	5,515
Income taxes	1,325	610
Curr. Liabilities	$ 12,449	$ 15,294
Long-term debt	21,539	12,032
Retire. benefits	1,647	1,871
Other liab.	212	294
+ Common stock	1,109	1,109
Add. paid-in capital	8,890	8,888
Retained earnings	9,205	6,414
Total Liabilities & Shareholders' Equity	$ 55,051	$ 45,902

* At lower of cost or market; domestic inventories at LIFO, foreign at FIFO.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.50	—
%Net Income to Sales	4.58	—
%Net Income to Equity	14.53	—
Sales to Inventories	6.91	4.76
Working Capital	$ 14,721,000	$ 17,434,000
Current Ratio	2.18	2.14
Shareholders' Equity	$ 19,204,000	$ 16,411,000

Keithley Instruments, Inc.

28775 Aurora Road
Cleveland, Ohio 44139
(216) 248-0400

Officers: Joseph F. Keithley, chairman of the board; Thomas G. Brick, president; Joseph P. Reedholm, v.p.-instruments; Terrence E. Sheridan, v.p.-radiation measurements; Gerald C. Heideman, v.p -finance & treasurer; Mark A. Frohman, v.p.-human resources: Bruce Griswold, secretary.

Directors: Theodore M. Alfred, Donald M. Alstadt, Thomas G. Brick, Joseph F. Keithley, Hugh D. Luke, John L. Tormey, Thomas W. Mastin, Bruce Griswold.

Areas of Work: The main product line consists of voltage, current and resistance measuring instruments; digital multimeters, electrometers, picoammeters, amplifiers and power supplies.

Divisions:

Radiation Measurements Division
28775 Aurora Road
Solon, Ohio 44139
(216) 248-0400

Systems Division
28775 Aurora Road
Solon, Ohio 44139
(216) 248-0400

Subsidiaries:

Keithley Instruments, SARL
44 Rue Anatole France
F-91121 Palaiseau Cedex
France

Keithley Instruments, Ltd.
1 Boulton Road
Reading, Berks, England RG2 ONL

Keithley Instruments, GmbH
Heiglhofstrasse 5
D-8000 Munich 70, West Germany

Transfer Agent(s):

AmeriTrust Company
Cleveland, Ohio

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	477	1977	245
1979	404	1976	227
1978	275		

Plant Footage:

1980	82,660 sq. ft.	1977	61,000
1979	82,600	1976	61,000
1978	61,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 27,810,000	$ 1,382,000
1979	19,484,000	1,292,000
1978	13,955,000	801,000
1977	9,954,128	538,716
1976	8,132,837	253,055

	No. of Com. Shares	Earn. per Share †
1980	714,061	$1.95
1979	704,690	1.88
1978	677,290	1.18
1977	677,150	0.80
1976	677,150	0.37

† Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.16	—	—
1979	0.15	—	—
1978	0.14	—	—
1977	0.13	—	—
1976	0.12	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 6,868,000	$9.62
1979	5,489,000	7.79
1978	4,209,000	6.21
1977	3,501,969	5.17
1976	3,051,270	4.51

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 27,810,000	$ 19,484,000
Cost of sales	13,788,000	9,297,000
Expenses	11,157,000	7,777,000
Interest expense	567,000	208,000
Income before taxes	$ 2,298,000	$ 2,202,000
Income taxes	916,000	910,000
Net Income	$ 1,382,000	$ 1,292,000

* Included in Costs and Expenses, Depreciation and Amortization: $597,000 in 1980 and $283,000 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 1,522,000	$ 228,000
Accts. receiv., net	4,963,000	4,707,000
* Inventories	6,970,000	4,921,000
Prepaid expenses	453,000	157,000
Current Assets	$ 13,908,000	$ 10,013,000
# Fixed assets	3,512,000	1,893,000
Other assets	4,000	64,000
Funds for plant expansion	472,000	—
Total Assets	$ 17,896,000	$ 11,970,000

Liabilities

Notes payable	$ 2,125,000	$ 400,000
Long-term debt, curr.	115,000	168,000
Accts. payable	1,694,000	1,473,000
Accruals	1,284,000	1,063,000
Income taxes	1,271,000	869,000
Curr. Liabilities	$ 6,489,000	$ 3,973,000
Long-term debt	4,019,000	2,236,000
Deferred compensation	420,000	100,000
Deferred inc. taxes	100,000	172,000
+ Common stock	36,000	35,000
Add. paid-in capital	919,000	847,000
Retained earnings	6,070,000	4,801,000
Stock plan	(157,000)	(194,000)
Total Liabilities & Shareholders' Equity	$ 17,896,000	$ 11,970,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	8.26	11.30
%Net Income to Sales	4.97	6.63
%Net Income to Equity	20.12	23.54
Sales to Inventories	3.99	3.96
Working Capital	$ 7,419,000	$ 6,040,000
Current Ratio	2.14	2.52
Shareholders' Equity	$ 6,868,000	$ 5,489,000

Keltron Corporation

225 Crescent Street
Waltham, Massachusetts 02154
(617) 894-8700

Officers: David S. Wilbourn, chief executive officer & treasurer; Harvey M. Fox, president; Jack H. Calechman, clerk.

Directors: David S. Wilbourn, chairman; John A. Geishecker, Jr., Harvey M. Fox, Jason Weisman.

Areas of Work: Manufactures and markets digital electronics, power supplies, security alarm systems, and printed circuit boards.

Divisions:

Circuit Service Company
1995 Middlesex Street
Lowell, Massachusetts 01852
(617) 452-1555

Subsidiaries:

CSM Medical Devices, Inc.

Acquisition(s):

Elasco Power Supply
Manufactures transformers and other power supplies.

Transfer Agent(s):

State Street Bank and Trust Company
225 Franklin Street
Boston, Massachusetts 02101

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	250	1977	145
1979	220	1976	120
1978	185		

Plant Footage:

1980	75,000 sq.ft.	1977	68,000
1979	68,000	1976	57,000
1978	68,000		

Sales and Earnings

	Revenues	Net Income +
1980	$ 7,350,548	$ 213,572
1979	6,196,358	271,931
1978	4,772,377	231,715
1977	3,923,292	189,000
1976	3,122,890	151,375

	No. of Com. Shares	Earn. per Share ‡ +
1980	841,810	$0.25
1979	841,810	0.32
1978	841,810	0.28
1977	841,810	0.22
1976	841,810	0.18

‡ Based on weighted average number of common shares outstanding.

+ Including extraordinary credits of $80,000 ($0.09 per share) in 1980 and $60,000 ($0.07 per share) in 1979.

Revenues By Line of Business

	1980	1979	1978	1977
Digital Instruments	26%	31%	31%	31%
Printed Circuits	10	19	24	27
Power supplies	64	50	45	42
Other	—	—	—	1
Total	100%	100%	100%	100%

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,636,640	$1.94
1979	1,423,068	1.69
1978	1,151,137	1.37
1977	919,422	1.09
1976	730,422	0.87

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 7,225,333	$ 6,124,719
Other income	125,215	72,639
Total income	$ 7,350,548	$ 6,196,358
Cost of sales	4,844,581	4,271,236
Expenses	1,639,648	1,151,498
Depreciation & amortization	323,958	283,328
Interest Expense	264,475	153,012
Bad debts	33,019	33,353

	1980	1979
Income before taxes	$ 218,672	$ 303,931
Income taxes	85,100	92,000
Net Income	$ 133,572	$ 211,931
Extraord. credit	80,000	60,000
Net Income & extraord. credit	$ 213,572	$ 271,931

Assets

As of Dec. 31	1980	1979
Cash	$ 42,552	$ 134,228
Accts. receiv., net	1,560,556	1,309,415
* Inventories	1,845,467	1,435,479
Prepaid expenses	54,276	112,426
Current Assets	$ 3,502,851	$ 2,991,548
# Fixed assets	1,239,686	1,124,401
Other assets	82,665	50,801
Total Assets	$ 4,825,202	$ 4,166,750

Liabilities

Notes payable	$ 972,200	$ 750,000
Long-term debt, curr.	332,710	221,383
Accts. payable	835,030	828,537
Accruals	166,878	185,392
Commissions payable	97,890	93,365
Income taxes	15,874	24,167
Curr. Liabilities	$ 2,420,582	$ 2,102,844
Long-term debt	767,980	640,838
+ Common stock	8,418	8,418
Add. paid-in capital	423,222	423,222
Retained earnings	1,205,000	991,428
Total Liabilities & Shareholders' Equity	$ 4,825,202	$ 4,166,750

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Revenues	3.03	4.96
%Net Income to Revenues	1.85	3.46
%Net Income to Equity	8.16	14.89
Sales to Inventories	3.92	4.27
Working Capital	$ 1,082,269	$ 888,704
Current Ratio	1.45	1.42
Shareholders' Equity	$ 1,636,640	$ 1,423,068

Kennecott Copper Corporation

Ten Stamford Forum
Stanford, Connecticut 06904
(203) 964-3000

Officers: Thomas D. Barrow, chairman of the board & chief executive officer; Glen P. Bakken, president & chief operating officer; Herman H. Kremer, Milton Stern, Paul W. Joy, exec. v.p.'s; Donald D. Geary, senior v.p. & secretary; Edward H. Belanger, senior v.p.-finance; William W. Colville, v.p. & general counsel; Gregory Mandeville, v.p.-int'l; Clarence E. Gray, v.p. & special asst. to the chairman; G.F. Joklik, v.p.-minerals business development; David Swan, v.p.-environmental issues; Winsor H. Watson, Jr., v.p.-communications; Peter W. Brengel, v.p. & treasurer; Robert C. Cereghini, v.p. & controller; Dale E. Ogle, v.p.-corp. planning; Eric H. Nielsen, v.p.-human resources; E. John Finn, Charles R. Landback, Jr., vice presidents.

Directors: Thomas D. Barrow, chairman; William H. Wendel, Carter L. Burgess, Russell DeYoung, J. Peter Grace, Robert S. Hatfield, Peter O. Lawson-Johnston, T. Vincent Learson, James J. O'Leary, Roy W. Simmons, William Thayer Tutt, Fredrick A. Yonkman, Frank E. Case, Oliver R. Grace, Morris Tanenbaum.

Areas of Work: Produces minerals and materials and through forward integration, a supplier of a wide range of products, systems, and services to industrial markets world-wide. Produces copper, molybdenum, gold, silver, lead and zinc. Through its wholly owned subsidiary, The Carborundum Company, serves the pollution control, process equipment and materials processing markets with capital goods and replacement equipment. Products and services include: abrasives and abrasive systems comprising stock removal devices including ceramic cutting tools, grinding wheels, and coated abrasives. Advanced materials and process systems may be primary, fabricated or materials systems. This diverse product line includes molded and cast refractories, thermal insulation, wear and corrosion resistant materials, heat sources, electronic components, ceramic armor, graphite, resins, basic oxygen furnace fuels, decorated ceramics and specialty fibers. The process systems are heat exchangers and molten metal pumps. Pollution control and filtration systems deal with purification of the environment; producer of fabric filter type devices for particulate air pollution control. Included are filters for removal of contaminants from liquids and gases, filters to separate water from wood fibers, porous media for sewage and water treatment plants, removal of contaminants from molten metal and other applications, as well as high temperature, pollution free solid waste conversion systems and blast cleaning and descaling equipment. Fabricates and distributes copper and brass mill products, produces and sells titanium dioxide, slag, high purity iron powders, and other mineral-based products.

Kennecott Minerals Company
10 East South Temple
Salt Lake City, Utah 84147
(801) 534-8111

The Carborundum Company
P.O. Box 156
Niagara Falls, New York 14302
(716) 278-2000

QIT-Fer Ttane Inc. (66⅔% owned)
1010 Sherbrooke Street, West Suite 700
Montreal, P.Q., H3A 2V2 Canada
(514) 844-1592

Kennecott Engineered Systems Company (KESCO)
20600 Chagrin Boulevard
Cleveland, Ohio 44122
(216) 283-3100

Kennecott Development Company
Ten Stamford Forum
Stamford, Connecticut 06904
(203) 964-3000

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
New York, New York 10015

Boston Safe Deposit and Trust Company
Boston, Massachusetts 02106

Stock Exchange(s): New York, Boston, Basel, Geneva, Paris, Zurich.

Number of Employees:

1980	35,000	1978	34,800
1979	35,200	1977	17,100

Sales and Earnings

	Net Sales † (000's)	Net Income (000's)
1980	$ 2,447,500	$ 192,400
1979	2,471,800	130,402
1978	1,928,200	5,014
1977	976,700	7,297
1976	965,700	8,800

	No. of Com. Shares	Earn. per Share
1980	33,246,053	$5.79
1979	33,159,153	3.93
1978	33,159,153	0.15
1977	33,159,153	0.22
1976	33,159,153	0.27

† Includes other revenues.

Revenues By Line of Business
(000's)

	1980	1979
Kennecott Minerals Co.	$ 987,400	$ 1,091,400
The Carborundum Co.:		
Abrasives	462,500	443,900
Other indus. prod.	219,200	215,300
Kennecott Engineered Systems Company	399,900	404,100
QIT-Fer et Titane Inc.	203,200	133,300
Elim. & adjust.	(60,700)	(61,200)
Divested units	44,300	206,800
Total	$ 2,255,800	$ 2,433,600

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.40	—	—
1979	1.05	—	—
1978	0.60	—	—
1977	0.60	—	—
1976	0.60	—	—

Common Stock Equity

	Total Equity (000's)	Equity
1980	$ 1,615,800	$48.60
1979	1,467,700	44.26
1978	1,372,100	41.38
1977	1,386,900	41.83
1976	1,399,500	42.21

Income Account
(000's)

Year ended	1980	1979
Net sales	$ 2,255,834	$ 2,433,637
Cost of sales	1,636,695	1,821,170
Expenses	307,686	290,692
Depreciation, depletion & amortization	107,594	98,644
Shutdown exp.	58,396	23,818
Gain on sale	(142,902)	—
Interest income	(43,610)	(29,163)
Interest expense	76,840	70,082
For. exch. loss	2,470	1,175
Other income	(5,205)	(9,076)
Income before taxes	$ 257,870	$ 166,295
Income taxes	58,900	35,800
Minority interests	6,620	93
Net Income	$ 192,350	$ 130,402

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 19,033	$ 27,868
Marketable securities	299,005	22,954
Accts. receiv., net	396,779	390,886
* Inventories	464,500	466,401
Other assets	17,556	11,132
Current Assets	$ 1,196,873	$ 919,241
Investments	430,107	316,557
# Fixed assets	1,490,339	1,433,551
Defer. charges	56,095	54,169
Intangibles	58,022	61,417
Total Assets	$ 3,231,436	$ 2,784,935

Liabilities
(000's)

Notes payable	$ 95,052	$ 77,172
Long-term debt, curr.	3,898	14,211
Accts. payable	198,795	185,362
Accruals	333,286	258,073
Curr. Liabilities	$ 631,031	$ 534,818
Long-term debt	740,663	560,808
Minority interest	56,470	51,525
Sundry reserves and deferred credits	101,772	102,109
Deferred inc. taxes	85,700	68,000
+ Common stock	166,230	165,796
Add. paid-in capital	104,265	102,446
Retained earnings	1,345,305	1,199,433
Total Liabilities & Shareholders' Equity	$ 3,231,436	$ 2,784,935

* At lower of cost (FIFO, LIFO, or average) or market.
# Less accumulated depreciation.
+ $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.43	6.83
%Net Income to Sales	8.53	5.36
%Net Income to Equity	11.90	8.88
Sales to Inventories	4.86	5.22
Working Capital	$565,842,000	$384,423,000
Current Ratio	1.90	1.72
Shareholders' Equity	$1,615,800,000	$1,467,675,000

Keuffel & Esser Company

20 Whippany Road
Morristown, New Jersey 07960
(201) 285-5000

Officers: Alfred E. Busch, chairman of the board; Thomas R. Nye, president & chief executive officer, vice presidents: Donald F. Bergenty-industrial relations, Jack W. Burton-sales & branch operations, Edward T. Grogan-Instrument Group, George S. Volpe-finance; Peter F. Willig, v.p., secretary & general counsel.

Directors: Alfred E. Busch*, chairman; William G. Keller, Richard W. KixMiller, Kenneth G. McKay, Thomas R. Nye*, William P. Orr, Philip A. Singleton, Coleman Burke, Robert K. Keller*, John M. Tassie*.

*Member of Executive Committee.

Areas of Work: Designs, manufactures and markets a line of scientific and precision instruments; drafting equipment and supplies; diazo, photographic and xerographic imaging products; microfilm equipment and supplies; mapping materials; surveying and photogrammetric equipment and reproduction materials for the engineering surveying and graphic arts field, computer aided mapping and alignment systems, electronic and laser-based distance measuring systems.

Rukouh Keuffel & Esser K.K., Japan
J.K Adams, Company, Inc.
Vermont Barker Graphics (Pty), Ltd.
South Africa Keuffel & Esser of Canada
Limited Keuffell & Esser G.m.b.H.
West Germany Keuffel & Esser International
Sales Corporation
Keuffel & Esser International, S.A./N.V.
Belgium Industrias Coperena, S.A., de C.V. Mexico

Transfer Agent(s):

The First Jersey National Bank
One Exchange Place
Jersey City, New Jersey 07303

Stock Exchange(s): Over-the-Counter

Ticker Symbol: KEUF (NASDAQ)

Number of Employees:

1980	1,965	1977	1,891
1979	2,071	1976	1,999
1978	1,879		

Plant Footage:

1980	423,000 sq.ft.	1977	400,000
1979	423,000	1976	400,000
1978	400,000		

Sales and Earnings

	Net Sales	Net Income
1980	$123,308,000	$ 3,869,000
1979	111,766,000	3,111,000
1978	100,212,000	1,960,000
1977	91,393,000	962,000
1976	82,835,000	1,666,000

	No.of Com. Shares	Earn. per Share +
1980	1,705,108	$2.30
1979	1,657,156	1.82
1978	1,652,906	1.13
1977	1,652,781	0.53
1976	1,652,781	0.95

+ Based on the average number of common shares and common share equivalents outstanding adjusted to refect stock split.

Revenues By Line of Business

	1980	1979
Engineering documentation	$ 92,701,000	$ 82,836,000
Instrumentation/ Mapping	30,607,000	28,930,000
Total	$123,308,000	$111,766,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.68	—	5-for-4
1979	0.64	—	—
1978	0.64	—	—
1977	0.64	—	—
1976	0.64	—	—

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1980	$ 41,962,000	$24.61
1979	38,672,000	23.34
1978	36,082,000	21.83
1977	35,271,000	21.34
1976	35,459,000	21.45

‡ After allowing for preferred stock at stated value.
† Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$123,308,000	$111,766,000
Cost of sales	80,849,000	74,369,000
Expenses	33,455,000	30,334,000
Minority interest	(157,000)	(343,000)
Interest expense	2,896,000	2,392,000
Other income	(109,000)	(97,000)
Income before taxes	$ 6,374,000	$ 5,111,000
Income taxes	2,505,000	2,000,000
Net Income	$ 3,869,000	$ 3,111,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,264,000 in 1980 and $2,172,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 1,373,000	$ 1,150,000
Accts. & notes receiv. net	23,704,000	22,743,000
*Inventories	33,765,000	31,155,000
Prepaid expenses	1,062,000	1,221,000
Current Assets	$ 59,904,000	$ 56,269,000
Investments & adv.	1,717,000	1,479,000
# Fixed assets	16,373,000	16,394,000
Other assets	619,000	914,000
Total Assets	$ 78,613,000	$ 75,056,000

Liabilities

Notes payable	$ —	$ 3,000,000
Long-term debt curr.	200,000	1,227,000
Accts. payable & accruals	14,549,000	13,665,000
Dividends payable	306,000	265,000
Income taxes	398,000	956,000
Curr.Liabilities	$ 15,453,000	$ 19,113,000
Long-term debt	18,814,000	15,146,000
Deferred inc.taxes	999,000	811,000
Oblig.under cap. leases	1,385,000	1,252,000
Preferred stock	—	62,000
+Common stock	1,705,000	1,657,000
Add.paid-in capital	6,995,000	6,472,000
Retained earnings	33,262,000	30,543,000
Total Liabilities & Shareholders' Equity	$ 78,613,000	$ 75,056,000

* At lower of cost or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.17	4.57
%Net Income to Sales	3.14	2.78
%Net Income to Equity	9.22	8.03
Sales to Inventories	3.65	3.59
Working Capital	$ 44,451,000	$ 37,156,000
Current Ratio	3.88	2.94
Shareholders' Equity	$ 41,962,000	$ 38,734,000

Kevlin Mfg. Co.

26 Connecticut Street
Woburn, Massachusetts 01801
(617) 935-4800

Officers: James S. Galbraith, president & treasurer; Ernest W. Lattanzi, vice president; John J. Moran, v.p. & clerk; Donald F. Brown, chief engineer.

Directors: Donald F. Brown, Ernest W. Lattanzi, John J. Moran, James S. Galbraith, David Harkins.

Areas of Work: Engaged in the production of R.F. rotary joints which are used to couple rotating radar antennas to stationary transmitters and receivers; also engaged in machine jobbing work.

Divisions:

Microwave Division
X-L Machine and Tool Division

Transfer Agent(s):

First National Bank of Boston
100 Federal Street
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 3,363,821	$ 256,665
1979	3,104,504	225,426
1978	2,054,993	205,222
1977	1,602,065	73,129
1976	1,187,407	87,904

	No. of Com. Shares #	Earn. per Share ‡ #
1980	784,257	$0.33
1979	760,731	0.30
1978	696,840	0.29
1977	696,840	0.10
1976	696,840	0.13

‡ Including extraordinary gain of $10,862 ($0.02 per share) in 1976.
# Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 1,302,905	$1.66
1979	1,035,725	1.36
1978	810,299	1.16
1977	604,953	0.87
1976	523,976	0.75

# Based on the weighted average number of common shares outstanding.

Kevlin Mfg. Co.

Income Account *

Year ended May 31	1980	1979
Net sales	$ 3,363,821	$ 3,104,504
Cost of sales	2,308,121	2,161,720
Expenses	637,038	556,377
Emp. stock owner. plan	28,919	25,978
Interest expense	5,720	14,198
Income before taxes	$ 384,023	$ 346,231
Income taxes	127,358	120,805
Net Income	$ 256,665	$ 225,426

* Included in Costs and Expenses, Depreciation: $64,546 in 1980 and $52,400 in 1979.

Assets

As of May 31	1980	1979
Cash	$ 58,695	$ 103,500
Accts. receiv., net	600,483	420,633
Refund. inc. taxes	—	79,864
* Inventories	320,054	292,783
Exc. costs on uncomp. contracts	235,402	189,900
Prepaid expenses	36,231	40,826
Current Assets	$ 1,250,865	$ 1,127,506
# Fixed assets	544,511	317,560
Total Assets	$ 1,795,376	$ 1,445,066

Liabilities

	1980	1979
Note payable	$ —	$ 50,000
Long-term debt, curr	—	20,000
Accts. payable	170,736	96,591
Billings in exc. of costs on uncomp. cont.	16,819	—
Accruals	142,312	94,260
Income taxes	69,868	—
Deferred inc. taxes	59,207	66,808
Curr. Liabilities	$ 458,942	$ 327,659
Long-term debt	—	70,000
Deferred income taxes	33,529	11,682
+ Common stock	72,704	72,704
Add. paid-in capital	304,071	294,818
Capital arising from forgiveness of debt	130,894	130,894
Retained earnings	796,542	539,877
Treasury stock	(1,306)	(2,568)
Total Liabilities & Shareholders' Equity	$ 1,795,376	$ 1,445,066

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	26.58	11.15
%Net Income to Sales	7.63	7.26
%Net Income to Equity	19.70	21.77
Sales to Inventories	10.51	10.60
Working Capital	$ 791,923	$ 799,847
Current Ratio	2.73	3.44
Shareholders' Equity	$ 1,302,905	$ 1,035,725

Kidde, Inc.

(formerly Walter Kidde & Company, Inc.)

9 Brighton Road
Clifton, New Jersey 07015
(201) 777-6500

Officers: Fred R. Sullivan, chairman and president; Bernard N. Ames, vice chairman; James J. Brown, S. Harrison Dogole, sr. vice presidents; David R. Ficca, sr. v.p. & secretary; John L. Kidde, Leonard T. Riccardo, Kenneth W. Watts, Robert L. Gable, Harvey S. Ekenstierna, Louis T. Tedeschi, Charles S. Gehrie, Kevin M. Sheridan, John Klipper, Hugh H. Shull, Jr., Charles L. Prothero, vice presidents; Richard P. Barnitt, vice president and controller; William B. McBride, vice president & treasurer; Agnes Marden, assistant secretary; Frank W. Reardon, assistant controller; Thomas E. Grandell, asst. treasurer.

Directors: Fred R. Sullivan, chairman; Bernard N. Ames, John F. Kidde, Fred E. Braemer, James D. Moran, Carl W. Walter, James J. Brown, Theron L. Marsh, Norman E. Alexander, Joseph F. McKinney.

Areas of Work: Safety, security and protection products, including fire and intrusion protection equipment, vaults and locks, testing and engineering equipment and services, and security guard services. Consumer and commercial products, including lighting fixtures and housewares, commercial fixtures and furnishings, consumer products and services. Industrial equipment including materials handling equipment, automotive componenns, aircraft equipment, office supplies and equipment, sports and leisure products.

Divisions and Subsidiaries:

American Desk Manufacturing Company
P.O. Box 429
Temple, Texas 76501
(817) 773-1776

Arrow Lock Corporation
4900 Glenwood Road
Brooklyn, New York 11234
(212) 253-6500

Associated Testing Laboratories, Inc.
23 Vincent Street
Wayne, New Jersey 07470
(201) 628-1363

Chatas Glass Company, Inc.
570 Broadlawn Terrace
Vineland, New Jersey 08360
(609) 691-5600

Ovenaire-Audio-Carpenter Divisions
706 Forrest Street
P.O. Box 1528
Charlottesville, Virginia 22901
(804) 977-8050

Grove Maufacturing (Canada) Ltd.
1051 Heritage Road
Burlington, Ontario, Canada I7L, 4Y1
(416) 335-3863

Craig Systems Corporation
360 Merrimack Street
Lawrence, Massachusetts 01842
(617) 688-6961

Dura Corporation
26711 Northwestern Highway
Southfield, Michigan 48076
(313) 352-5700

Fenwal Incorporated
400 Main Street
Ashland, Massachusetts 01721
(617) 881-2000

Fenwal Controls of Japan, Ltd.
Tokyo, Japan

Garden State Tanning
215 Lexington Avenue
New York, New York 10016
(212) 679-8910

Kidde Consultants, Inc
1020 Cromwell Bridge Road
Baltimore, Maryland 21204
(301) 321-5500

Globe Security Systems, Inc. (95% owned)
2503 Lombard Street
Philadelphia, Pennsylvania 19146
(215) 546-6900

Greenwald Industries Division
1340 Metropolitan Avenue
Brooklyn, New York 11237
(212) 456-6900

Grove Manufacturing Company
P.O. Box 21
Shady Grove, Pennsylvania 17256
(717) 597-8121

Halkey-Roberts Division
11600 9th St. No.
St. Petersburg, Florida 33702
(813) 577-1300

Houston Electronics Division
501 Pine Street Extension
Kane, Pennylvania 16735
(814) 837-9550

The Jade Corporation
3063 Philmont Avenue
Huntingdon Valley, Pennsylvania 19006
(215) 947-3333

Kidde Belleville Division
675 Main Street
Belleville, New Jersey 07109
(201) 759-5000

Walter Kidde & Company of Canada Limited
1224 Lawrence Avenue West
Toronto, Ontario, Canada MGA IE3
(416) 781-6616

The Walter Kidde Company Limied
Belvue Road, Northolt
Middlesex, UB5 5WE England

Walter Kidde G.m.b.H
Luner Rennbahn 2
2120 Luneburg, Germany

LeFebure Corporation
308 29th Street, N.E.
Cedar Rapids, Iowa 52402
(319) 366-2771

Kidde Consumer Durables Corp
2 Bala Cynwyd Plaza
333 East City Line Avenue
Bala Cynwyd, Pennsylvania 19004
(215) 839-0450

McKinney Manufacturing Company
820 Davis Street
Scranton, Pennsylvania 18505
(717) 346-7551

New Jersey Office Supply Division
35 Melanie Lane
Whippany, New Jersey 07981
(201) 386-8900

Presto Lock Co.
100 Outwater Lane
Garfield, New Jersey 07026
(201) 340-1000

Douglas Randall Division
6 Pawcatuck Avenue
Pawcatuck, Connecticut 02891
(203) 599-1750

Sargent & Company
100 Sargent Drive
New Haven, Connecticut 06509
(203) 562-2151

Toledo Commutator Co.
1101 South Chestnut Street
Owosso, Michigan 48867
(517) 725-8192

Weber Aircraft Division
2820 Ontario Street
Burbank, California 91510
(213) 849-1181

Svenska Skumslacknings Aktiebolaget
Box 32
Byggmastaregatan 1
S-44201 Kungalv, 1 Sweden

Victor Business Products
3900 North Rockwell Street
Chicago, Illinois 60618
(312) 539-8200

Bright Star Industries, Inc.
600 Getty Avenue
Clifton, New Jersey 07015
(201) 772-3200

Transfer Agent(s):

Chemical Bank
P.O. Box 25964
Church Street Station
New York, New York 10249

Midlantic National Bank
80 Park Plaza
Newark, New Jersey 07101

Stock Exchange(s): New York, Boston, Pacific

Ticker Symbol: KDE

Number of Employees:

1980	50,000	1977	43,000
1979	50,000	1976	39,000
1978	47,000		

Sales and Earnings

	Net Sales ‡	Net Income #
1980	$2,539,275,000	$ 87,387,000
1979	2,284,146,000	84,100,000
1978	1,878,473,000	68,720,000
1977	1,475,018,000	56,731,000
1976	1,233,017,000	61,507,000

	No. of Com. Shares	Earn. per Share # +
1980	9,523,377	$8.59
1979	9,775,470	7.85
1978	10,075,306	6.12
1977	9,981,537	5.12
1976	9,912,000	5.75

‡ Includes other revenues.
# Includes extraordinary gain of $13,014,000 ($1.26 per share) in 1976.
+ Based on average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Industrial & commercial:		
Materials handling equipment	$ 446,041	$ 378,042
Business & commercial prods. & services	515,350	464,534
Automotive & aircraft equipment	226,477	268,796
Safety, security & protection:		
Fire protection equip.	258,581	224,638
Security equip. & services	297,878	258,711
Consumer & Recreation:		
Lighting prods. & housewares	556,299	444,966
Sports & leisure prods.	142,417	125,663
Total cont. oper.	$ 2,443,043	$ 2,165,350
Discont. oper.	96,232	118,796
Total	$ 2,539,275	$ 2,284,146

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.85	—	—
1979	1.65	—	—
1978	1.45	—	—
1977	1.25	—	—
1976	1.05	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$561,369,000	$58.95
1979	506,260,000	51.79
1978	458,261,000	45.48
1977	447,790,502	44.86

‡ After allowing for Series A, Series B and Series C preference stock at liquidating values of $12, $90 and $90 per share respectively.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 2,539,275	$ 2,284,146
Cost of sales	1,885,193	1,704,063
Expenses	449,443	394,443
Interest expense	59,670	44,062
Interest income	(7,167)	(11,046)
Other charges (income)	(1,132)	3,783
Income before taxes	$ 153,268	$ 148,841
Income taxes	65,881	64,741
Net Income	$ 87,387	$ 84,100

* Included in Costs and Expenses, Depreciation and Amortization: $39,750,000 in 1980 and $33,092,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 29,309	$ 45,893
Marketable securities	2,191	29,678
Accts. receiv., net	425,008	402,241
* Inventories	602,476	588,791
Prepaid expenses	55,611	40,650
Current Assets	$ 1,114,595	$ 1,107,253
Investments	30,196	32,170
# Fixed assets	304,832	264,727
Other assets	21,936	17,471
Intangibles	116,247	119,633
Total Assets	$ 1,587,806	$ 1,541,254

Liabilities
(000's)

	1980	1979
Notes payable	$ 85,417	$ 116,516
Long-term debt, curr.	25,143	24,102
Accts. payable & accruals	345,764	331,309
Income taxes	21,477	40,862
Curr. Liabilities	$ 477,801	$ 512,789
Long-term debt	398,979	374,919
Deferred inc. taxes & other credits	49,802	43,828
+ Preferred stock with mand. redemp.	29,983	32,510
+ Preferred stock	776	788
+ + Common stock	23,808	24,439
Add. paid-in capital	170,452	172,550
Retained earnigs	436,205	379,431
Total Liabilities & Shareholders' Equity	$ 1,587,806	$ 1,541,254

* At lower of cost or market. Domestic inventories primarily at LIFO; remainder at FIFO.
# Less accumulated depreciation and amortization.
+ $1 par value; convertible cumulative.
+ + $2.50 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	6.04	6.52
%Net Income to Sales	3.44	3.68
%Net Income to Equity	13.84	14.57
Sales to Inventories	4.21	3.88
Working Capital	$636,794,000	$594,464,000
Current Ratio	2.33	2.16
Shareholders' Equity	$631,241,000	$577,208,000

King Radio Corporation

400 North Rogers Road
Olathe, Kansas 66062
(913) 782-0400

Officers: Edward J. King, Jr., chairman of the board; Robert T. Cox, presdient; vice presidents: R. Craig Christie-marketing, James Q. Kohler-materiel; Gary Burrell-engineering, James V. Stothard-intl. mktg., Robert S. Dunn-operations, C.J. Weltsch-finance & treas., B.L. Glover, Jr.-gen. aviation sales; Robert P. Lyons, secretry; Richard G. Johnson, asst. secretary.

Directors: Wayne S. Bonebright, R. Craig Christie, Robert T. Cox, Edward J. King, Jr., W.T. Noll, C.J. Weltsch, Robert S. Dunn.

Areas of Work: Designs, manufactures and sells electronic communication, navigation and flight control systems, including communication transceivers, navigation receivers, distance measuring equipment, automatic direction finders, autopilots, flight directors, airborne radio telephones, air traffic contorl transponders, compass systems and eather radar systems.

Subsidiaries:

King Radio S.A.
P.O. Box 2610
1218 Geneva, Switzerland

Transfer Agent(s):

United Missouri Bank of Kansas City, N.A.
Stock Transfer Department
P.O. Box 226
Kansas City, Missouri 64141

Stock Exchange(s): American

Ticker Symbol: KRC

Number of Employees:

1980	2,850	1977	2,400
1979	3,000	1976	1,800
1978	2,625		

Plant Footage:

1980	390,000 sq. ft.	1977	288,000
1979	370,000	1976	238,000
1978	288,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 97,208,224	$ 7,034,528
1979	98,872,569	9,728,032
1978	79,876,991	7,166,881
1977*	57,583,608	3,556,202
1976	47,908,579	2,318,833

	No. of Com. Shares ‡	Earn. per Share ‡
1980	2,712,000	$2.59
1979	2,704,000	3.60
1978	2,696,000	2.66
1977	2,694,000	1.32
1976	3,037,000	0.76

* 53 weeks.
‡ Based on weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1980	$0.42	—	—
1979	0.34	—	—
1978	0.23	—	3-for-2
1977	0.17	—	—
1976	0.13	—	—

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 45,287,622	$16.70
1979	39,392,228	14.52

1978	30,491,871	11.30
1977	23,920,140	8.88
1976	20,813,008	7.72

† Adjusted to reflect stock split.

Income Account *

Year ended	12/27/80	12/29/79
Net sales	$ 97,208,224	$ 98,872,569
Cost of sales	67,071,007	64,749,344
Expenses	17,749,690	15,746,961
Interest expense	287,169	117,213
Other income	(1,434,170)	(518,981)
Income before taxes	$ 13,534,528	$ 18,778,032
Income taxes	6,500,000	9,050,000
Net Income	$ 7,034,528	$ 9,728,032

* Included in Costs and Expenses, Depreciation and Amortization: $2,540,725 in 1980 and $2,014,325 in 1979.

Assets

As of	12/27/80	12/29/79
Cash	$ 1,132,572	$ 756,159
Cert. of deposit	8,000,000	6,500,000
Receiv., net	11,677,544	12,922,154
* Inventories	25,713,896	22,470,287
Deferred income tax benefit	2,015,500	1,766,500
Prepaid expenses	459,074	396,448
Current Assets	$ 48,998,586	$ 44,811,548
# Fixed assets	14,005,568	12,799,071
Other assets	475,097	439,017
Total Assets	$ 63,479,251	$ 58,049,636

Liabilities

Long-term debt, curr.	$ 165,000	$ 165,000
Accts. payable	4,555,446	4,573,387
Accruals	434,568	313,385
Accrued payroll	1,893,868	2,720,944
Dividends payable	325,467	271,222
Income taxes	259,641	1,955,470
Warranties	3,501,000	3,533,000
Curr. Liabilities	$ 11,134,990	$ 13,532,408
Lease oblig.	4,295,000	3,060,000
Deferred inc. taxes	2,450,000	2,065,000
Deferred income	311,639	—
+ Common stock	813,667	813,667
Add. paid-in capital	3,452,223	3,452,223
Retained earnings	41,021,732	35,126,338
Total Liabilities & Shareholders' Equity	$ 63,479,251	$ 58,049,636

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.30 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.92	18.99
%Net Income to Sales	7.24	9.84
%Net Income to Equity	15.53	24.70
Sales to Inventories	3.78	4.40
Working Capital	$ 37,863,596	$ 31,279,140
Current Ratio	4.40	3.31
Shareholders' Equity	$ 45,287,622	$ 39,392,228

KMS Industries, Inc.

3941 Research Park Drive
P.O. Box 1778
Ann Arbor, Michigan 48106
(313) 769-1100

Officers: Patrick B. Long, chairman of the board, president and chief executive officer; Robert P. Perkins, treasurer and chief financial officer; Terence C. Liddy, secretary; Thomas R. Rampy, Jr.,; James E. Garpow, Judith R. Francis, asst. secretaries.

Directors: Patrick B. Long, chairman; Edward J. Carroll, Jr., Donald M. Houpt, Terence C. Liddy, Bonnie B. Phemister, Thomas P. Stafford.

Areas of Work: Engaged in energy research, principally fusion power, produces aspheric lenses and optical systems, and provides computer related services.

Subsidiaries:

KMS Fusion, Inc.
Ann Arbor, Michigan

Opti-Systems, Inc.
Santa Ana, California

Radsyn, Inc.
Ann Arbor, Michigan

Walden Management Services, Inc.
Aurora, Colorado

Acquisition(s):

COMSI, Inc.
Oak Brook, Illinois
Provides computer services.

Transfer Agent(s):

American Transfer Company
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: KMSI (NASDAQ)

Number of Employees:

1980 188

Plant Footage:

1980 . . . . . . 70,130 sq. ft.

Sales and Earnings

	Revenues	Net Income ‡
1980	$ 12,684,547	$ 601,467
1979	10,674,424	338,508
1978	9,498,748	738,287

	No. of Com. Shares	Earn. per Share † ‡
1980	11,761,346	$0.04
1979	10,750,430	0.02
1978	10,473,217	0.08

† Based on the weighted average number of common shares and common share equivalents outstanding.
‡ Including extraordinary gains of $313,000 ($0.02 per share) in 1980, $168,000 ($0.01 per share) in 1979 and $649,847 ($0.06 per share) in 1978.

Revenues By Line of Business

	1980	1979
Energy research	$ 9,102,000	$ 9,410,000
Optical products	2,070,000	1,209,000
Computer services	1,554,000	307,000
Intersegment revenues	(41,000)	(252,000)
Total	$ 12,685,000	$ 10,674,000

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,387,422	$0.20
1979	452,098	0.04
1978	(53,806)	—

(Deficiency)

Income Account *

Year ended Dec. 31	1980	1979
Service revenues	$ 10,585,919	$ 9,542,856
Net sales	2,098,628	1,131,568
Interest income	90,598	71,085
Other income	159,969	108,483
Total revenues	$ 12,935,114	$ 10,853,992
Cost of sales & services	9,532,077	8,336,505
Expenses	2,537,077	1,894,739
Interest expense	86,881	148,475
Res. & develop.	56,325	109,520
Income before taxes	$ 722,129	$ 364,753
Income taxes	313,000	168,000
Minority interests	120,662	26,245
Net Income	$ 288,467	$ 170,508
Extraord. gains	313,000	168,000
Net Income & Extraord. gains	$ 601,467	$ 338,508

* Included in Costs and Expenses, Depreciation and Amortization: $246,773 in 1980 and $247,977 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 145,682	$ 272,658
Interest-bearing deposits	1,500,000	281,023
Accts. receiv., net	591,691	707,330
* Inventories	360,553	335,848
Other curr. assets	101,256	103,934
Current Assets	$ 2,699,182	$ 1,700,793
# Fixed assets	917,095	934,244
Other assets	745,598	1,184,251
Total Assets	$ 4,361,875	$ 3,819,288

Liabilities

Notes payable	$ —	$ 80,000
Long-term debt, curr.	65,602	452,766
Accts. payable	606,721	628,586
Employee compen.	327,095	619,975
Progress payments	90,275	197,725
Other accruals	110,145	100,119
Curr. Liabilities	$ 1,199,838	$ 2,079,171
Long-term debt	500,598	562,230
Other liab.	25,000	65,000
Minority interests	248,947	140,219
+ Redeemable pref. stock	—	520,500
+ + Preferred stock	70	70
+ + + Common stock	117,613	107,504
Add. paid-in capital	26,143,330	24,781,929
Accumulated deficit	(23,873,521)	(24,437,335)
Total Liabilities & Shareholders' Equity	$ 4,361,875	$ 3,819,288

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $100 par value; $6 cumulative.
+ + $0.01 par value; $5 cumulative.
+ + + $0.01 par value.

Statistical Summary

%Income bef. Taxes to Revenues	5.58	3.36
%Net Income to Revenues	2.23	1.57
%Net Income to Equity	12.08	37.71
Working Capital	$ 1,499,344	$ —
Current Ratio	2.25	—
Shareholders' Equity	$ 2,387,492	$ 452,168

Knogo Corporation

100 Tec Street
Hicksville, New York 11801
(516) 822-4200

Officers: Arthur J. Minasy, president; James R. Dellomo, v.p.-finance & treasurer; Bruce P. Kennedy, v.p.-sales; Michael Cooper, v.p.-engineering; Michael Trentacosti, v.p.-operations; Fred Cicchetti, v.p.-field services; Frederick J. Woebse, secretary & controller; Karen Hatgis, asst. secretary; Keith L. Minasy, asst. treasurer.

Directors: Arthur J. Minasy, Eugene B. Novikoff, Bruce P. Kennedy, James R. Dellomo, Andre Mechelynck, Nicholas Nabokoff, William A. Perlmuth.

Areas of Work: Engaged in the development, manufacture and marketing of electronic pilferage detection systems for the retail industry, library and industrial products; electronic patient monitoring systems for nursing homes, hospitals and institutions.

Subsidiaries:

Knogo International Limited (DISC)
100 Tech Street
Hicksville, New York 11801

Knogo S.A.
Route de Wallonie
B-7420 Baudour (Mons)
Belgium

Knogo France S.A.
5 Rue Faustin Helie
75016 Paris
France

Knogo Scandinavia AB
Larsbergstorget 4
181 38 Lidingoe, Sweden

Knogo Italia srl.
Piazzale Aquileia 6
20144 Milano
Italy

Knogo Deutschland GmbH
Rheinallee 109
6500 Mainz
West Germany

Knogo U.K.

Transfer Agent(s):

Chemical Bank
55 Water Street
New York, New York 10041

Stock Exchange(s): American

Ticker Symbol: KNO

Number of Employees:

1980	350	1977	142
1979	200	1976	125
1978	174		

Plant Footage:

1980	70,000 sq. ft.	1977	25,000
1979	40,000	1976	25,000
1978	31,000		

Sales and Earnings

	Revenues *	Net Income +
1980	$ 16,042,400	$ 2,949,500
1979	11,221,215	1,896,474
1978	8,088,344	1,129,282
1977	5,768,742	754,874
1976	5,916,348	562,051

	No. of Com. Shares	Earn. per Share # +
1980	1,922,957	$1.47
1979	1,799,981	1.38
1978	1,040,424	1.08
1977	1,040,424	0.72
1976	1,040,424	0.54

* Includes lease rentals and other income.
# Based on the weighted average number of common shares and common share equivalents outstanding.
+ Including extraordinary loss of $437,677 ($0.42 per share) in 1976.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 19,615,700	$10.20
1979	14,788,447	8.22
1978	4,212,645	4.05
1977	3,083,363	2.96

Income Account *

Year ended	2/29/80	2/28/79
Net sales & rentals	$ 14,907,000	$ 10,663,705
Other income	1,135,400	557,510
Total Income	$ 16,042,400	$ 11,221,215
Cost of sales	4,454,200	2,671,250
Expenses	6,489,800	4,688,248
Depreciation & amortization	633,700	545,790
Interest expense	85,900	348,853
Income before taxes	$ 4,378,800	$ 2,967,074
Income taxes	1,429,300	1,070,600
Net Income	$ 2,949,500	$ 1,896,474

Assets

As of	2/29/80	2/28/79
Cash	$ 808,200	$ 2,028,517
Cert. of deposit	2,780,000	2,906,800
Accts. receiv., net	5,132,900	2,780,803
* Inventories	5,614,600	4,665,472
Prepaid expenses	208,500	194,449
Investments	7,166,400	5,137,275
# Fixed assets	3,013,100	725,234
Other assets	461,900	365,103
Defer. charges	424,800	286,063
Total Assets	$ 25,610,400	$ 19,089,716

Liabilities

Notes payable	$ 1,841,800	$ 606,683
Accts. payable	380,300	422,379
Accruals	604,600	471,724
Income taxes	1,469,500	898,956
Deferred lease rentals	263,500	967,127
Deferred inc. taxes	1,435,000	934,400
+ Common stock	19,200	17,999
Add. paid-in capital	12,359,700	10,483,105
Retained earnings	7,236,800	4,287,343
Total Liabilities & Shareholders' Equity	$ 25,610,400	$ 19,089,716

* At cost (FIFO) which is not in excess of replacement value.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Revenues	27.30	26.44
%Net Income to Revenues	18.39	16.90
%Net Income to Equity	15.04	12.82
Shareholders' Equity	$ 19,615,700	$ 14,788,447

Kollmorgen Corporation

Administrative Center:
60 Washington Street
Hartford, Connecticut 06106
(203) 547-0600

Management Center:
66 Gate House Road
Stamford, Connecticut 06902
(203) 327-7222

Officers: John D. Maxwell, chairman; Robert L. Swiggett, president & chief executive officer; Allan M. Doyle, Jr., sr. vice president & treasurer; George P. Stephen, vice president, secretary and general counsel; Edwin M. Felske, v.p. & controller; Donald S. Fischer, James F. Howlett, James E. Swiggett, Herbert E. Torberg, Robert N. Williams, v.p.'s; R. Page Burr, sr. scientist.

Directors: Robert W. Bjork, Allan M. Doyle, Jr., Townsend Hornor, John D. Maxwell, Charles A. Powers, Richard Rachals, Richard H. Stover, Robert L. Swiggett, Walter D. Dance, Kenneth Fisher.

Areas of Work: Engaged in the development, manufacture and marketing of printed circuits, special direct current motor and control systems, color and photometry systems and equipment, and electro-optical systems.

Divisions and Subsidiaries:

Electro-Optical Division
347 King Street
Northampton, Massachusetts 01060
(413) 586-2330

Inland Motor Industrial Drives Division
Inland Motors Specialty Products Division
501 First Street
Radford, Virginia 24141
(703) 639-3973

PCK Technology Division
Photocircuits Division
31 Sea Cliff Avenue
Glen Cove, New York 11542
(516) 448-1000

Macbeth Division
P.O. Box 950
Newburgh, New York 12550
(914) 561-7300

PMI Motors Division
5 Aerial Way
Syosset, New York 11795
(516) 938-8000

Multiwire Division
31 Sea Cliff Avenue
Glen Cove, New York 11542
(516) 448-1600

Macbeth Sales Corporation
R.D. # 3 Jeanne Drive
Newburgh, New York 12550
(914) 564-6300

Photo Research Division
3000 North Hollywood Way
Burbank, California 91502
(213) 843-6100

Kollmorgen Technologies Corporation
Dallas, Texas

Kollmorgen International Sales Corporation
Wilmington, Delaware

Kollmorgen Overseas Development Corporation
Wilmington, Delaware

Societe Anonyme Artus
Angers, France

Kollmorgen A.G.
Zug, Switzerland

Kollmorgen (U.K.) Ltd.
Reading, England

Kollmorgen (Ireland) Limited
Ennis, Ireland

IntOp Kollmorgen GmbH
Frickingen, West Germany
31 Sea Cliff Avenue Corporation
Glen Cove, New York

West Lane Porperties, Inc.
Riverhead, New York

IntOp Division
Wallingford, Connecticut

Transfer Agent(s):

The Bank of New York
48 Wall Street
New York, New York 10015

Hartford National Bank & Trust Company
777 Main Street
Hartford, Connecticut 06115

Stock Exchange(s): New York

Ticker Symbol: KOL

Number of Employees:

1979	3,500	1976	2,481
1978	3,000	1975	2,133
1977	2,700		

Kollmorgen Corporation

Sales and Earnings

	Net Sales	Net Income
1979	$154,517,000	$ 9,825,000
1978	123,120,000	6,999,000
1977	97,330,000	5,584,000
1976	83,049,000	4,456,000
1975	72,164,000	2,402,000

	No. of Com. Shares #	Earn. per Share †
1979	5,391,382	$1.82
1978	5,381,532	1.30
1977	5,376,842	1.04
1976	5,363,676	0.83
1975	5,312,356	0.45

# Based on average number of shares outstanding adjusted to reflect stock dividends.
† Based on the weighted average number of common stock and common stock equivalents outstanding adjusted to reflect stock dividends.

Revenues By Line of Business
(000's)

	1979	1978
Electronic Interconnections	$ 52,131	$ 40,980
Motors & controls	60,187	44,581
Electro-optical instruments	42,199	37,559
Total	$ 154,517	$ 123,120

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$0.32	100%	—
1978	0.25	—	—
1977	0.18	—	—
1976	0.125	100%	—
1975	0.10	—	—

+ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share #
1979	$ 45,271,000	$8.40
1978	37,166,310	6.91
1977	28,266,962 +	5.26
1976	21,439,022 +	4.00

+ After allowing for preferred stock at redemption value of $35 per share.
# Based on average number of shares outstanding adjusted to reflect stock dividends.

Income Account *

Year ended Dec. 31	1979	1978
Net sales	$154,517,000	$123,120,008
Cost of sales	103,243,000	81,778,640
Expenses	36,396,000	29,149,756
Other expense (income)	(1,289,000)	44,924
Income before taxes	$ 16,167,000	$ 12,146,688
Income taxes	6,342,000	5,148,000
Net Income	$ 9,825,000	$ 6,998,688

* Included in Costs and Expenses, Depreciation and Amortization: $4,401,000 in 1979 and $3,642,620 in 1978.

Assets

As of Dec. 31	1979	1978
Cash	$ 1,740,000	$ 2,261,274
Marketable securities	6,549,000	3,654,085
Receiv., net	29,297,000	21,712,155
Receiv. on contracts	1,814,000	1,057,231
* Inventories	24,156,000	19,786,067
Prepaid expenses	484,000	379,645
Current Assets	$ 64,040,000	$ 48,850,457
# Fixed assets	29,003,000	22,960,419
Other assets	1,411,000	441,667
Intangibles	1,061,000	1,136,782
Total Assets	$ 95,515,000	$ 73,389,325

Liabilities

Notes payable	$ 1,418,000	$ —
Long-term debt, curr.	1,618,000	1,205,450
Accts. payable	19,080,000	12,703,729
Accruals	10,508,000	197,698,370
Income taxes	4,084,000	3,227,516
Deferred taxes	1,401,000	1,199,993
Curr. Liabilities	$ 38,109,000	$ 26,035,058
Long-term debt	10,080,000	8,105,836
Deferred credits	596,000	444,362
Deferred inc. taxes	1,459,000	1,637,759
+ Common stock	13,441,000	13,441,310
Add. paid-in capital	1,458,000	1,458,206
Retained earnings	30,372,000	22,266,794
Total Liabilities & Shareholders' Equity	$ 95,515,000	$ 73,389,325

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.46	9.87
%Net Income to Sales	6.36	5.68
%Net Income to Equity	21.70	18.83
Sales to Inventories	6.40	6.22
Working Capital	$ 25,931,000	$ 22,815,399
Current Ratio	1.68	1.88
Shareholders' Equity	$ 45,271,000	$ 37,166,310

Koss Corporation

4129 N. Port Washington Avenue
Milwaukee, Wisconsin 53212
(414) 964-5000

Officers: John C. Koss, chairman & chief executive officer; James D. Dodson, president & chief operating officer; Thomas J. Beczkiewicz, v.p.-finance, treasurer & asst. secretary; David M. Thomas, v.p.-engineering; Ferril S. Stillson, v.p.-manufacturing; H. Frank Boock, v.p.-finance & administration; Daniel W. Reep, v.p.-industrial relations; Dennis P. Wherry, v.p., secretary & corp. legal counsel; Robert Bukowsky, v.p.-marketing.

Directors: John C. Koss, chairman; Charles P. Steuber, James F. Fitzgerald, Lawrence S. Mattson, David B. Stevens, John H. Franz, James D. Dodson.

Areas of Work: Manufactures and markets stereophones, loudspeakers, digital synthesis equipment and related accessories including remote listening stations, connector boxes, extension cables and cords, and speaker/headphone transfer switches.

Subsidiaries:

Koss GmbH
6 Frankfurt/Main
Heddernheimer Landstrasse 155
West Germany

Koss S.a.r.l.
12 Rue du Puits Dixme
Orly Senia 525
94577 Rungis, France

Koss Limited
4112-4114 South Service Road
Burlington, Ontario, Canada

Koss B.V.
Corke-Abbey
Bray
County Dublin, Ireland

Transfer Agent(s):

First Wisconsin Trust Company
First Wisconsin Centre
Milwaukee, Wisconsin 53208

Stock Exchange(s): Over-the-Counter

Ticker Symbol: KOSS (NASDAQ)

Number of Employees:

1980	350	1977	360
1979	350	1976	400
1978	450		

Plant Footage:

1980	200,000 sq. ft.	1977	200,000
1979	200,000	1976	118,000
1978	200,000		

Sales and Earnings

	Net Sales	Net Income †
1980	$ 23,224,692	$ 1,748,102
1979	25,699,459	1,020,629
1978	23,506,803	696,721
1977	17,973,659	29,558
1976	18,822,128	1,176,720

	No. of Com. Shares ‡	Earn. per Share †
1980	1,666,485	$1.05
1979	1,686,961	0.60
1978	1,676,821	0.42
1977	1,684,802	0.02
1976	1,672,523	0.70

† Including extraordinary gain of $86,000 ($0.05 per share) in 1980.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.25	—	—
1979	—	—	—
1978	—	—	—
1977	0.15	—	—
1976	0.27	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 8,799,475	$5.51
1979	8,030,085	4.73
1978	6,908,966	4.11
1977	5,956,495	3.56
1976	6,040,661	3.55

‡ Based on the weighted number of common shares and common equivalent shares outstanding.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 23,224,692	$ 25,699,459
Cost of sales	12,467,466	15,989,956
Expenses	7,702,668	7,750,350
Contrib. to emp. stock ownership trust	300,000	300,000
Interest expense	694,075	716,609
Income before taxes	$ 2,060,483	$ 942,544
Income taxes (credit)	398,381	(78,085)
Net Income	$ 1,662,102	$ 1,020,629
Extraord. gain	86,000	—
Net Income & extraord. gain	$ 1,748,102	$ 1,020,629

* Included in Costs and Expenses, Depreciation and Amortization: $636,156 in 1980 and $671,616 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 749,466	$ 304,253
Accts. receiv., net	4,493,143	4,309,885
*Inventories	6,097,381	6,215,106
Prepaid expenses	345,635	348,602

Income tax benefits	182,000	349,173
Refundable taxes	101,000	101,000
Current Assets	$ 11,968,625	$ 11,628,019
#Fixed assets	4,625,165	4,804,758
Other assets	220,350	347,665
Total Assets	$ 16,814,140	$ 16,780,442

Liabilities

Long-term debt, curr.	$ 338,955	$ 338,691
Accts. payable	1,260,589	848,358
Accruals	1,356,638	1,290,219
Income taxes	344,688	249,909
Curr. Liabilities	$ 3,300,870	$ 2,727,177
Long-term debt	4,473,795	5,802,180
Deferred inc. taxes	240,000	221,000
+Common stock	16,975	16,975
Add. paid-in capital	771,950	771,950
Retained earnings	8,568,647	7,241,160
Treasury stock	(558,097)	—
Total Liabilities & Shareholders' Equity	$ 16,814,140	$ 16,780,442

* At lower of cost (FIFO) or market. The company adopted the LIFO method, and this is reflected in the fourth quarter of 1980.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.87	3.67
%Net Income to Sales	7.16	3.97
%Net Income to Equity	18.89	12.71
Sales to Inventories	3.81	4.13
Working Capital	$ 8,667,755	$ 8,900,842
Current Ratio	3.63	4.26
Shareholders' Equity	$ 8,799,475	$ 8,030,085

KRATOS, Inc.

3333 North Torrey Pines Court
La Jolla, California 92037
(714) 455-9020

Officers: C. Fredrick Sehnert, chairman of the board & chief executive officer; Gary D. Wrench, president & chief operating officer; John D. Waldron, sr. v.p. & group executive; Donald J. Quackenbush, v.p.-finance & chief financial officer; David Coveney, David Gare, Bernie F. Jackson, H.W. Turney, vice presidents.

Directors: Thomas C. Barger, C. Fredrick Sehnert, James M. Burns, Richard A. Foster, Herbert Trotter, Jr., William D. McElroy, John D. Waldron.

Areas of Work: Designs and manufactures electronic and electromechanical instruments, including pressure gauges, transducers, liquid level sensors, control devices, indicators and meters, computer graphic displays, flight simulation systems, and computerized data systems for research and process, mass spectrometers, electron spectroscopy, laboratory automation, electron microscopy.

Divisions:

Aviation Products Division
403 South Raymond Avenue
Bin 45
Pasadena, California 91109
(213) 449-3090

Designs and manufactures electronic and electromechanical instruments, including pressure gauges, transducers, liquid level sensors, control devices, indicators and meters, and computer graphic displays.

Schoeffel Instruments Division
24 Booker Street
Westwood, New Jersey 07675
(201) 664-5702

Manufactures detectors for liquid chromatography, monochromators, spectro-densitometers and electro-optical components.

Display Systems Division
101 Cooper Court
Los Gatos, California 95030
(408) 395-3700

Subsidiaries:

KRATOS-Instem Limited
Walton Industrial Estate
Stone, Staffs, ST15 OLT
England

Designs and manufactures computerized automation systems for industrial plants and computerized data systems for research and process control laboratories.

KRATOS Limited
Barton Dock Road
Urmston
Manchester, England M31 2LD

Designs and manufactures mass spectrometers, electron spectrometers, electron microscopy, x-ray diffraction, laboratory automation equipment.

KRATOS Scientific Instruments, Inc.
24 Booker Street
Westwood, New Jersey 07685

Designs and manufactures detectors for liquid chromatography, monochromators, spectro-densitometers, and electro-optical components.

KRATOS GmbH
Bergbahn Strasse 9
P.O. Box 410580
7500 Karlsruhe 41
West Germany

KRATOS S.A.
88/92 Rue Philippe de Girard
75018 Paris
France

Acquisition(s):

Display Systems, Inc. (August 17, 1979)
Los Gatos, California

Manufactures high quality color CRT display monitors used in the visual systems of computer-driven flight simulators for the training of airline and military pilots.

Transfer Agent(s):

Union Bank
3810 Wilshire Boulevard
Los Angeles, California 90010

Stock Exchange(s): Over-the-Counter

Ticker Symbol: KTOS (NASDAQ)

Number of Employees:

1979	1,072	1977	700
1978	856		

Sales and Earnings

	Net Sales	Net Income
1980	$ 55,804,000	$ 3,447,000
1979	41,793,845	2,561,791
1978	31,368,493	1,921,694

	No. of Com. Shares	Earn. per Share #
1980	$ 2,779,025	$ 1.44
1979	2,123,688	1.17
1978	2,106,990	0.89

# Based on the weighted average number of shares outstanding adjusted to reflect stock dividend and stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	3-for-2
1979	—	—	2-for-1
1978	—	—	—
1977	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 24,759,000	$8.91
1979	9,094,268	4.16
1978	6,450,766	2.97

# Based on the weighted average number of shares outstanding adjusted to reflect stock dividend and stock splits.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 55,507,000	$ 41,658,219
Other Income	297,000	135,626
Total income	$ 55,804,000	$ 41,793,845
Cost of sales	35,125,000	25,340,558
Expenses	15,066,000	12,411,864
Amort. of deferred credit	—	(600,948)
Interest expense	792,000	466,580
Income before taxes	$ 4,821,000	$ 4,175,791
Income taxes	1,374,000	1,614,000
Net Income	$ 3,447,000	$ 2,561,791

* Included in Costs and Expenses, Depreciation and Amortization: $442,000 in 1980 and $333,846 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 251,000	$ 963,242
Money mkt. invest.	6,116,000	—
Accts. receiv., net	10,639,000	9,702,605
*Inventories	15,258,000	12,831,105
Deferred inc. taxes	296,000	354,000
Prepaid expenses	442,000	444,031
Current Assets	$ 33,002,000	$ 24,294,983
#Fixed assets	2,178,000	1,830,767
Other assets	3,910,000	1,787,666
Total Assets	$ 39,090,000	$ 27,913,416

Liabilities

Long-term debt, curr.	$ 181,000	$ 695,895
Accts. payable	4,946,000	4,744,713
Accruals	4,426,000	2,122,005
Employee compens.	1,305,000	1,275,967
Income taxes	651,000	735,687
Deposits & unearned inc.	1,309,000	3,088,230
Short-term debt	661,000	1,115,126
Curr. Liabilities	$ 13,479,000	$ 13,777,623
Long-term debt	852,000	4,313,413
Deferred inc. taxes	—	728,112
+Common stock	14,961,000	2,743,664
Add. paid-in capital	72,000	72,058
Retained earnings	9,726,000	6,278,546
Total Liabilities & Shareholders' Equity	$ 39,090,000	$ 27,913,416

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Revenues	8.69	9.99
%Net Income to Revenues	6.21	6.13
%Net Income to Equity	13.92	28.17
Sales to Inventories	3.64	3.25
Working Capital	$ 19,523,000	$ 10,517,360
Current Ratio	2.45	1.76
Shareholders' Equity	$ 24,759,000	$ 9,094,268

Kulicke and Soffa Industries, Inc.

507 Prudential Road
Horsham, Pennsylvania 19044
(215) 674-2800

Officers: C. Scott Kulicke, president; Daniel Vilenski, sr. v.p.; Martin Weiss, sr. v.p. & treasurer; Manuel M. Bycer, Dan Kahan, Curtis Zern, Thomas C. Reid, Francis Nguyen, v.p.'s; Ruth W. Kulicke, secretary.

Directors: Albert Soffa, chairman of the board; Frederick W. Kulicke, Jr., Allison F. Page, William Shapiro, Thomas J. Matcovich, C. Scott Kulicke, Joseph S. Rambo.

Areas of Work: Produces semiconductor manufacturing and assembly equipment, including wire and die bonders and micro-tools.

Divisions:

Semiconductor Machinery Division
  Automatic Bonder Group
  Standard Products Group
  Micro-Swiss Group
all at: Horsham, Pennsylvania

Kulicke and Soffa Industries, Inc.
2255 Martin Avenue, Suite H
Santa Clara, California 95050
(408) 249-5100

Subsidiaries:

Kulso, Ltd.
P.O. Box 875
Haifa, Israel

Kulicke and Soffa, A.G.
Baarerstrasse 8
CH-6300
Zug, Switzerland

Kulicke and Soffa (Asia), Ltd.
Fook Cheung Building
63 Hoi Yuen Road
Hong Kong

Kulicke and Soffa, (U.K.) Ltd.
13 New Road
Light Industrial Estate
New Haven, Sussex, England

Kulicke and Soffa Industries, Inc.
2255 Martin Avenue
Santa Clara, California 95050
(408) 727-5040

Robotiks, Inc.
507 Prudential Road
Horsham, Pennsylvania 19044
(215) 674-2800

Kulicke and Soffa (Japan) Ltd.
Mori Building # 28
16-13, 4-Chome
Nishi-Azabu Minato-Ku
Tokyo, Japan

Transfer Agent(s):

Girard Bank
Philadelphia, Pennsylvania

Stock Exchange(s): Over-the-Counter

Ticker Symbol: KLIC (NASDAQ)

Number of Employees:

1980	1,017	1977	412
1979	803	1976	435
1978	528		

Plant Footage:

1980	144,000 sq. ft.	1978	105,000
1979	144,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 49,780,000	$ 7,959,000
1979	36,308,000	6,070,000
1978	17,846,000	2,311,000
1977	14,861,000	2,007,000
1976	12,216,240	1,302,016

	No. of Com. Shares #	Earn. per Share ‡#
1980	3,588,106	$2.27
1979	2,762,706	2.20
1978	2,759,199	0.85
1977	2,721,399	0.74
1976	2,721,399	0.48

‡ Including extraordinary gains of $730,000 ($0.53 per share) in 1977 and $402,000 ($0.30 per share) in 1976.
# Based on weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.15	—	2-for-1
1979	0.375	—	3-for-2
1978	0.85	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 29,475,000	$8.21
1979	15,290,000	5.53
1978	9,321,000	3.38
1977	7,198,000	2.65
1976	5,190,728	1.91

# Based on weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 49,780,000	$ 36,308,000
Cost of sales	20,878,000	14,855,000
Expenses	14,910,000	9,988,000
Depreciation & amortization	657,000	446,000
Interest income	(1,057,000)	(129,000)
Income before taxes	$ 14,392,000	$ 11,148,000
Income taxes	6,433,000	5,078,000
Net Income	$ 7,959,000	$ 6,070,000

Assets

As of Sept. 30	1980	1979
Cash	$ 2,309,000	$ 1,428,000
Time deposits	619,000	381,000
Restricted cash	919,000	618,000
Investments	12,815,000	4,096,000
Accts. & notes receiv. net	9,422,000	7,254,000
*Inventories	9,858,000	8,501,000
Prepaid expenses & other assets	686,000	604,000
Prepaid inc. taxes	285,000	147,000
Current Assets	$ 36,913,000	$ 23,029,000
#Fixed assets	4,732,000	4,002,000
Compulsory gov't. bonds	393,000	405,000
Loans to officers	136,000	190,000
Total Assets	$ 42,174,000	$ 27,626,000

Liabilities

Long-term debt, curr.	$ 1,365,000	$ 812,000
Accts. payable	2,123,000	2,385,000
Dividends payable	135,000	104,000
Accruals	3,155,000	2,258,000
Income taxes	1,813,000	3,443,000
Curr. Liabilities	$ 8,591,000	$ 9,002,000
Long-term debt	1,770,000	1,869,000
Other liabilities	238,000	164,000
Deferred inc. taxes	2,100,000	1,301,000
+Common stock	9,797,000	3,485,000
Add. paid-in capital	88,000	88,000
Retained earnings	19,590,000	12,167,000
Treasury stock	—	(450,000)
Total Liabilities & Shareholders' Equity	$ 42,174,000	$ 27,626,000

* At lower of cost (FIFO or average) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	28.91	30.70
%Net Income to Sales	15.99	16.72
%Net Income to Equity	27.00	39.70
Sales to Inventories	5.05	4.27
Working Capital	$ 28,322,000	$ 14,027,000
Current Ratio	4.30	2.56
Shareholders' Equity	$ 29,475,000	$ 15,290,000

Kustom Electronics, Inc.

(33.68% owned by Van Enterprises, Inc.)

8320 Nieman Road
Shawnee Mission, Kansas 66214
(913) 492-1400

Officers: Cecil L. Van Tuyl, chairman of the board; Warren J. Hess, president & chief executive officer; Duane E. Knapp, v.p. & secretary; Gerald L. Carter, v.p.-finance & chief financial officer.

Directors: John Aker, Warren J. Hess, Cecil L. Van Tuyl, Duane E. Knapp, Robert W. McFadden, J. Wesley St. Clair, F.L. Thompson.

Areas of Work: Engaged in three principal lines of business: traffic radar systems; communications consoles and mobile terminals; and avionics testing equipment. Products serve law enforcement agencies and mobile computer terminal businesses.

Divisions and Subsidiaries:

Kustom Promotions, Inc.
Kustoms Signals, Inc.
Kustom Recreational Equipment, Inc.
Kustom Data Communications, Inc.

Transfer Agent(s):

United Missouri Bank of Kansas City
P.O. Box 226
10th and Grand
Kansas City, Missouri 64141

Stock Exchange(s): Over-the-Counter

Ticker Symbol: KUST (NASDAQ)

Number of Employees:

1980	200	1979	203

Plant Footage:

1980	53,000 sq. ft.	1979	53,000

Sales and Earnings

	Net Sales ‡†	Net Income
1980	$ 7,443,694	$ (703,356)
1979	7,706,936	(1,469,298)
1978	9,254,725	(59,668)
1977	4,101,542	(629,376)
1976	4,698,128	471,135

	No. of Com. Shares #	Earn. per Share #
1980	1,282,371	$ —
1979	1,282,371	—
1978	1,278,621	—
1977	1,272,101	—
1976	1,283,042	0.37

(Loss)
‡ Includes other revenues.
† Of continuing operations only.
# Based on the weighted average number of common shares outstanding.

Revenues By Line of Business

	1980	1979
Radar units	$ 3,490,000	$ 3,478,000
Avionics	2,093,000	1,395,000
Communications	1,861,000	2,765,000
Other segments	—	69,000
Total	$ 7,444,000	$ 7,707,000

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,799,140	$1.40
1979	2,502,496	1.95
1978	3,971,794	3.11
1977	4,019,275	3.16
1976	4,639,901	3.62

Income Account *

Year ended Sept. 30	1980	1979
Net sales & other revenues	$ 7,443,694	$ 7,706,936
Cost of sales	4,862,241	5,815,749
Expenses	2,822,298	3,132,840
Interest expense	562,135	344,678
Gain on land sale	(99,624)	—
(Loss) before taxes	$ (703,356)	$ (1,586,331)
Tax credit	—	(272,000)
Loss-cont. oper.	$ (703,356)	$ (1,314,331)
Loss-discont. oper.	—	(154,967)
Net Loss	$ (703,356)	$ (1,469,298)

Assets

As of Sept. 30	1980	1979
Cash	$ 172,812	$ 618,010
Accts. receiv., net	2,089,107	2,750,891
Refundable taxes	—	19,293
* Inventories	2,783,887	3,110,595
Prepaid expenses	34,095	31,368
Excess costs on uncompleted contracts	176,317	614,086
Current Assets	$ 5,256,218	$ 7,144,243
# Fixed assets	942,007	876,560
Deposits & other assets	133,325	280,660
Total Assets	$ 6,331,550	$ 8,301,463

Liabilities

	1980	1979
Note payable	$ —	$ 100,000
Long-term debt, curr.	612,392	43,781
Accts. payable	542,344	1,836,031
Accruals	530,924	826,373
Excess billings on uncompleted contracts	8,201	14,617
Curr. Liabilities	$ 1,693,861	$ 2,820,802
Long-term debt	2,838,549	2,978,165
+ Common Stock	131,236	131,236
Add. paid-in capital	1,768,751	1,768,751
Retained earnings (deficit)	(50,163)	653,193
Treasury stock	(50,684)	(50,684)
Total Liabilities & Shareholders' Equity	$ 6,331,550	$ 8,301,463

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

	1980	1979
Working Capital	$ 3,562,357	$ 4,323,441
Current Ratio	3.10	2.53
Shareholders' Equity	$ 1,799,140	$ 2,502,496

LaBarge, Inc.

707 North Second Street
St. Louis, Missouri 63178
(314) 231-3400

Officers: Pierre L. LaBarge, Jr., chairman of the board, president & chief executive officer; Donald H. Ziegler, vice chairman of the board & executive v.p.; Edward J. Nestor, Jr., exec. v.p.-finance & treasurer; Robert H. LaBarge, Eugene L. LaBarge, Craig E. LaBarge, vice presidents; Thomas B. Martin, secretary & general counsel; Gerard F. Salisbury, controller & asst. treasurer; Ted J. Rabior, asst. secretary.

Directors: Pierre L. LaBarge Jr., Donald H. Ziegler, Gus G. Casten, Richard P. Conerly, Gilbert R. Whitaker, Jr., William L. Edwards, Jr., Edward J. Nestor, Jr., Richard A. Meyer.

Areas of Work: Telemetry components, telemetry subsystems and systems, ordnance electronics, specialized cables and harnesses, flexible printed circuits, transmitters and receivers, power supplies, DC to DC converters, crystal filters, command conrol systems, molded launcher cables, flame resistant wire, non-flammable electrical wire, digital data transmission systems, digital data accumulation systems, specialized test equipment, emergency engress equipment, multi-conductor cables, electronic thermometers, SteriTherm sensor covers, SafeTemp mercury thermometer covers, prestressed bridge members, precast concrete pipe, precast concrete utility vaults, heavy wall pipe and tubing, seamless and welded steel pipe, pressure tubing and special pipe and tube processing, custom rolled and welded pipe.

Divisions and Subsidiaries:

Tubular Division
20 S. 4th Street
St. Louis, Missouri 63102
(314) 231-3400

LaBarge Electronics Division
707 N. Second Street
St. Louis, Missouri 63102
(314) 231-3400

LaBarge Concrete Products Division
20 S. 4th Street
St. Louis, Missouri 63102
(314) 231-3400

LaBarge Medical Products Division
520 So. Jefferson
St. Louis, Missouri 63103
(314) 231-3400

Transfer Agent(s):

Bradford Trust Co.
2 Broadway
New York, New York 10004

Mercantile Trust Company National Association
Drawer 321
St. Louis, Missouri 63166

Stock Exchange(s): American

Ticker Symbol: LB

Number of Employees:

1980	1,100	1977	950
1979	1,054	1976	950
1978	1,025		

Plant Footage:

1980	385,670 sq. ft.	1977	469,670
1979	469,670	1976	373,500
1978	469,670		

Sales and Earnings

	Net Sales	Net Income
1980	$ 100,028,621	$ 2,204,367
1979	80,330,569	1,099,796
1978	72,411,078	798,142
1977	61,394,941	1,088,641
1976	59,105,429	1,490,819

	No. of Com. Shares	Earn. per Share#
1980	6,771,346	$0.33
1979	6,770,690	0.16
1978	6,876,831	0.12
1977	6,937,130	0.16
1976	6,998,550	0.21

# Based on the average number of shares outstanding.

Revenues By Line of Business

	1980	1979
Tubular	$ 58,663,000	$ 48,213,000
Electronics	31,253,000	22,886,000
Concrete products	8,063,000	7,393,000
Medical products	2,050,000	1,839,000
Total	$ 100,029,000	$ 80,331,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.06	—	—
1979	0.06	—	—
1978	0.06	—	—
1977	0.06	—	—
1976	0.06	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 24,413,253	$3.61
1979	22,610,174	3.34
1978	22,126,951	3.22
1977	21,912,076	3.16
1976	21,397,289	3.06

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 100,028,621	$ 80,330,569
Cost of sales	83,040,874	67,255,967
Expenses	11,896,046	10,125,168
Interest expense	1,237,334	1,059,638
Income before taxes	$ 3,854,367	$ 1,889,796
Income taxes	1,650,000	790,000
Net Income	$ 2,204,367	$ 1,099,796

* Included in Costs and Expenses, Depreciation and Amortization: $1,251,831 in 1980 and $1,281,129 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 943,133	$ 830,318
Accts. receiv., net	14,174,898	11,865,639
* Inventories	20,208,997	17,770,838
Prepaid expenses	514,890	437,319
Plant facility for sale	894,537	—
Current Assets	$ 36,736,455	$ 30,904,114
#Fixed assets	10,624,811	8,970,605
Defer. charges & patents	44,278	74,091
Total Assets	$ 47,405,544	$ 39,948,810

Liabilities

	1980	1979
Notes payable	$ 8,000,000	$ 4,000,000
Long-term debt, curr.	336,236	495,924
Accts. payable	6,832,865	7,007,578
Accruals	1,069,106	621,709
Employee compensation	641,223	363,187
Income taxes	1,055,346	414,316
Other taxes	295,691	443,704
Curr. Liabilities	$ 18,230,467	$ 13,346,418
Long-term debt	4,362,824	3,663,218
Deferred inc. taxes	399,000	329,000
+ Common stock	1,776,477	1,776,311
Add. paid-in capital	1,926,845	1,922,014
Retained earnings	21,592,780	19,794,670
Treasury stock	(882,849)	(882,821)
Total Liabilities	$ 47,405,544	$ 39,948,810

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.85	2.35
%Net Income to Sales	2.20	1.37
%Net Income to Equity	9.03	4.86
Sales to Inventories	4.95	4.52
Working Capital	$ 18,505,988	$ 17,557,696
Current Ratio	2.02	2.32
Shareholders' Equity	$ 24,413,253	$ 22,610,174

Lear Siegler, Inc.

3171 South Bundy Drive
Santa Monica, California 90406
(213) 391-7211

Officers: Robert T. Campion, chairman of the board & president; K. Robert Hahn, exec. v.p.; David M. Diltz, sr. v.p.-human resources; Charles F. Pitts, sr. v.p.-administration; James N. Thayer, sr. v.p.-finance & secretary; James V. Bitner, sr. v.p.-Aerospace/Electronics Operations; John C. Peppler, sr. v.p.-Royal Operations; Donald A. Long, v.p.-Automotive/Agricultural Group; David J. Louks, v.p. & controller; William M. O'Hern, v.p.-public relations & advertising; Walter J. Kruel, v.p.-corp. planning & development; Robert U. Grant, v.p.-management services; Howell V. Perryman, v.p.-industrial relations; Ronald V. Paolucci, v.p.-Electronics Group; Kenneth A. Ruck, v.p.-Automotive Service Products Group; Laurence A. Thompson, v.p.-Material Handling/Machine Tool Group; Norman A. Barkeley, v.p.-Aerospace Group; Albert F. Myers, v.p.-Commercial Products Group; Stephen D. Natcher, v.p. & general counsel; Larry R. DeJarnett, v.p.-information systems; Donald R. Schort, Jr., treasurer.

Directors: Albert G. Handschumacher*, Paul W. Trousdale*, K. Robert Hahn, Howard L. McGregor, Jr.*, Robert T. Campion*, Don F. Seyferth, Barton Beek, Norman Barker, Jr., Patricia M. Howe, James R. Sebastian, Sr.; Thomas P. Mullinny.

*Member of the Executive Committee.

Areas of Work: Operates in three market areas: electronic & electromechanical products, vehicle components and industrial & agricultural products. The Company designs and manufactures precision instruments and systems for military, commercial and general aviation aircraft. Products include communications equipment, and computer peripheral equipment. It supplies seating assemblies, axle tubes, suspension systems and other components directly to automotive manufacturers and produces replacement parts such as windshields, brakes and brake linings for used cars and trucks. Also manufactures agricultural equipment, furniture components, pre-engineered structural steel buildings, machine tools and other industrial products.

Divisions and Subsidiaries:

Aerospace & Electronics Group
3171 South Bundy Drive
Santa Monica, California 90406
(213) 391-7211

Aerospace electronics and control systems; on-site and fixed facility aircraft maintenance and overhaul; aerospace ground support heating and air conditioning equipment; telephone equipment. Gyros and gyro systems; aircraft automatic flight control, stabilization and all-weather landing systems; navigation systems and components; cockpit display instruments and systems, pressure sensing devices; airborne computers; ordnance aiming systems; ground based azimuth alighment equipment. Airborne, ground and marine-based electric generating systems and components, motors; pneumatic and hydraulic pumps and components; valves; servos and servo actuators; self-lubricating bearings; engine starters; gear and gear mechanisms; air pollution monitoring instrumentation equipment; public address systems; intercoms for home and industry; personal paging devices; metal cutting machinery & tools; electronic organs and other musical instruments and accessories; commercial, industrial & agricultural pumps & components; medical ancillary services.

Bogen Division
Route 4 and Forest Avenue
Paramus, New Jersey 07652
(201) 343-5700

Farfisa S.p.A.
Casella Postale n. 204
60100 Ancona, Italy

Audiotone Division
2422 West Holly
Phoenix, Arizona 85062
(602) 254-5888

Energy Products Division
2040 East Dyer Road
Santa Ana, California 92705
(714) 540-3210

American Avitron Division
P.O. Box 567
Rye, New York 10580
(914) 937-5300

Astronics Division
3171 South Bundy Drive
Santa Monica, California 90406
(213) 391-7211

Data Products Division
714 North Brookhurst Street
Anaheim, California 92803
(714) 774-1010

Electronic Instrumentation Division
714 North Brookhurst Street
Anaheim, California 92803
(714) 774-1010

Instrument Division
4141 Eastern Avenue, S.E.
Grand Rapids, Michigan 49508
(616) 241-7000

Automated Systems Center
280 East Riley Street
Zeeland, Michigan 49464
(616) 772-1000

Environmental Technology Division
74 Inverness Drive East
Englewood, Colorado 80112
(303) 770-3300

Management Services Division
3100 North Interstate Highway 35
Oklahoma City, Oklahoma 73136
(405) 424-5551

Power Equipment Division
17600 Broadway Avenue
Maple Heights, Ohio 44137
(216) 323-3211

Romec Division
241 South Abbe Road
Elyria, Ohio 44035
(216) 323-3211

Sierra Electronic Division
3885 Bohannon Drive
Menlo Park, California 94025
(415) 321-5374

Steinheil-Lear Siegler A.G.
Osterfeldstrasse 82,
8045 Ismaning (Munich) Germany

Transport Dynamics Division
3131 West Segerstrom Avenue
Santa Ana, California 92702
(714) 546-3131

Fabricated Products Operations
2401 West Big Beaver Road
Troy, Michigan 48084
(313) 643-9300

Automobile and truck seat assemblies; molded and slab foam for automotive and furniture applications; molded plastic parts and assemblies including recreation safety helmets; forged axle housings; truck and trailer air suspension systems; foundry patterns and equipment; contracted precision machining; short run metal stampings and stamped assemblies; mechanisms, suspensions, frames and components for furniture and bedding; housewares; office furniture; product display and store checkout units; and industrial storage equipment and systems.

Automotive Division
5930 Vancouver Avenue
Detroit, Michigan 48204
(313) 897-6100

Borroughs Division
3002 North Burdick Street
Kalamazoo, Michigan 49007
(616) 342-0161

Fabrication Technology Division
450 North Centennial Street
Zeeland, Michigan 49464
(616) 772-4674

Plastics Division
236 West Clark Street
Mendon, Michigan 49072
(616) 496-2215

Hinson Division
3470 West Airline Highway
Waterloo, Iowa 50704
(319) 235-7021

General Seating Division
13975 Farmington Road
Livonia, Michigan 48154
(313) 525-8620

Rapistan Division
507 Plymouth Avenue N.E.
Grand Rapids, Michigan 49505
(616) 451-6200

Foam Products Division
Lime Street
Marblehead, Massachusetts 01945
(617) 631-9451

Foam Products Division
1750 West Downs Drive
West Chicago, Illinois 60185
(312) 293-0780

National Broach & Machine Division
5600 St. Jean Avenue
Detroit, Michigan 48213
(313) 921-8980

National Twist Drill & Tool Division
Rochester, Michigan 48063
(313) 651-9531

Precision Gear Machines & Tools Ltd.
Bodmin Road
Coventry, England CV 2-5DZ

Metal Products Division
4600 Nancy Street
Detroit, Michigan 48212
(313) 893-3000

No-Sag Spring Division
3500 W. Eleven Mile Road
Berkley, Michigan 48072
(313) 547-5600

Progress Pattern Division
21555 Telegraph Road
Southfield, Michigan 48034
(313) 444-5100

Seymour Division
Chestnut & Ninth Streets
Seymour, Indiana 47274
(812) 522-5130

Royal Operations
980 So. Arroyo Parkway
Pasadena, California 91109
(213) 681-1176

Replacement glass for vehicles, industrial and architectural glass, traffic control devices, custom truck trailers and bodies, farm tillage and grain handling equipment, air and mechanical suspension systems for trucks and trailers, agri/industrial pumps, replacement vehicle brake products, trucks emergency spring brakes.

Accurate Products Division
4370 Jutland Drive
San Diego, California 92117
(714) 273-1212

Anchorlok Division
2910 East Ana
Compton, California 90221
(213) 537-6710

Neway Division
1950 Industrial Boulevard
Muskegon, Michigan 49443
(616) 773-3271

No-Sag Spring Company Ltd.
3500 West Eleven Mile Road
Berkley, Michigan 48072
(313) 547-5600

Bishman Division
400 County Road 18
Osseo, Minnesota 55369
(612) 425-2151

Certified Division
1000 Martin Grove Road
Rexdale, Ontario, Canada M9W 4V9
(416) 249-8381

Noble Division
515 North 16th Street
Sac City, Iowa 50583
(712) 662-4731

Peerless Division
18205 S.W. Boones Ferry Road
Tualatin, Oregon 97062
(503) 639-6131

Safelite Industries, Inc.
801 South Wichita
Wichita, Kansas 67201
(316) 267-3276

Central de Industrias S.A.*
Minerva 104-602
Mexico 20 D.F.

Cuckler Building Systems Division
102 West South Street
Monticello, Iowa 52310
(319) 465-3595

Hawaiian Properties Division
Amfac Building, Suite 1112
700 Bishop Street
Honolulu, Hawaii 96813
(808) 521-8781

Home Division
900 Brooks Avenue
Holland, Michigan 49423
(616) 394-4200

Hutchinson Division
514 West Crawford
Clay Center, Kansas 67432
(913) 632-2161

Mammoth Division
13120-B County Road 6
Minneapolis, Minnesota 55441
(612) 559-2711

Signal Division
1370 Esperanza St.
Los Angeles, California 90023
(213) 269-0321

No-Sag Drahtfedern GmbH
4835 Rietberg 2
Neuenkirchen, West Germany

Societe No-Sag Francaise*
50, Avenue de Wagram
75017 Paris, France

Hypro Division
375 Fifth Avenue, N.W.
New Brighton, Minnesota 55112
(612) 633-9300

* Less than 100% owned.

Transfer Agent(s):

Security Pacific National Bank
Box 3546, Terminal Annex
Los Angeles, California 90051

Stock Exchange(s): New York, Pacific

Ticker Symbol: LSI

Number of Employees:

1980	24,077	1977	24,400
1979	25,066	1976	16,838
1978	24,921		

Plant Footage:

1980	14,206,000 sq.ft.	1977	8,698,000
1979	14,206,000	1976	8,503,000
1978	14,100,000		

Sales and Earnings

	$ Net Sales (000's)	$ Net Income (000's)
1980	1,423,397	65,722
1979	1,327,271	63,276
1978	1,155,167	48,200
1977	920,285	37,055
1976	694,307	25,412

	No. of Com. Shares #	Earn. per Share ‡
1980	15,129,000	$4.23
1979	13,347,000	4.50
1978	12,472,000	3.55
1977	12,243,000	2.70
1976	12,201,000	1.75

# Based on average number of shares outstanding.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Aerospace	$ 350,235	$ 272,189
Electronics	161,790	141,710
Material handling & machine tool	287,193	174,035
Automotive serv. prods.	176,130	201,401
Automotive & agricultural	297,387	400,109
Commercial prods.	150,662	137,827
Total	$ 1,423,397	$ 1,327,271

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.09	—	—
1979	0.86	—	—
1978	0.65	—	—
1977	0.50	—	—
1976	0.32	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$ 321,795,000	$20.80
1979	261,248,000	17.76
1978	179,669,000	14.03
1977	137,294,000	11.13
1976	108,670,000	8.93

‡ After allowing for preferred stock at liquidation preference.

Income Account *
(000's)

Year ended June 30	1980	1979
Net sales	$ 1,423,397	$ 1,327,271
Cost of sales	1,067,467	1,009,483
Expenses	200,667	171,326
Interest expense	27,617	19,180
Other income	4,080	2,252
Income before taxes	$ 123,566	$ 125,030
Income taxes	57,844	61,754
Net Income	$ 65,722	$ 63,276

* Included in Costs and Expenses, Depreciation and Amortization: $24,006,000 in 1980 and $23,277,000 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 15,951,000	$ 16,267,000
Cert. of deposit & invest.	9,153,000	8,190,000
Accts. & notes receiv., net	235,620,000	199,355,000
* Inventories	291,711,000	268,817,000
Prepaid expenses	15,337,000	13,174,000
Current Assets	$ 567,772,000	$ 505,803,000
#Fixed assets	190,968,000	149,796,000
Other assets	82,327,000	58,369,000
Total Assets	$ 841,067,000	$ 713,968,000

Liabilities

	1980	1979
Notes payable	$ 31,646,000	$ 24,390,000
Long-term debt, curr.	18,021,000	13,706,000
Accts. payable	86,348,000	81,570,000
Accruals	77,668,000	60,755,000
Accrued payroll	30,982,000	26,412,000
Income taxes	5,460,000	12,885,000
Curr. Liabilities	$ 250,125,000	$ 219,718,000
Long-term debt	204,176,000	163,716,000
Deferred liabilities	24,336,000	22,012,000
Deferred inc. taxes	11,135,000	5,274,000
+ Preferred stock	1,661,000	2,343,000
+ + Common stock	15,554,000	14,806,000
Add. paid-in capital	15,796,000	15,279,000
Retained earnings	319,513,000	272,050,000
Treasury stock	(1,229,000)	(1,230,000)
Total Liabilities & Shareholders' Equity	$ 841,067,000	$ 713,968,000

* At lower of cost (FIFO & LIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.68	9.42
%Net Income to Sales	4.62	4.77
%Net Income to Equity	18.71	20.87
Sales to Inventories	4.88	4.94
Working Capital	$ 317,647,000	$ 286,085,000
Current Ratio	2.27	2.30
Shareholders' Equity	$ 351,295,000	$ 303,248,000

LFE Corporation

1601 Trapelo Road
Waltham, Massachusetts 02154
(617) 890-2000

Officers: Herbert Roth, Jr., president & chairman of the board; L.M. Faulkner, exec. v.p.; John D. Saint-Amour, sr. v.p.; Thomas P. Grimes, Ronald A. Riggs, R. James Ferriman, Charles Dudinski, vice presidents; John J. Gould, v.p.-finance; E. MacKay Fraser, v.p., secretary & general counsel; Charles V. Glynn, treasurer. •

Directors: Coleman Burke, Albert J. Kelley, David T Mongenthaler, Hubert F. O'Brien, Bernard J. O'Keefe, Herbert Roth, Jr., L.M. Faulkner, John G. Vaughan.

Areas of Work: Produces industrial process control systems and equipment, fluids handling equipment for sewage and environmental applications, industrial instrumentation, traffic control systems and related equipment and engineering, environmental and support services.

Divisions and Subsidiaries:

LFE Traffic Control Division
East Norwalk, Connecticut

LFE Process Control Division
Waltham, Massachusetts
Chesterland, Ohio

LFE Fluids Control Division
Hamden, Connecticut
Columbus, Ohio

LFE Corporation

Glengormley, Co. Antrim
Northern Ireland

LFE Environmental Analysis Laboratories
Richmond, California

Anderson-Nichols & Company, Inc.
Boston, Massachusetts
Concord, New Hampshire
Richmond, California

Transfer Agent(s):

The First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): New York

Ticker Symbol: LFE

Number of Employees:

1980	2,053	1977	2,047
1979	2,131	1976	1,937
1978	1,997		

Plant Footage:

1980	779,000 sq. ft.	1977	700,000
1979	660,000	1976	700,000
1978	730,000		

Sales and Earnings

	Net Sales +	Net Income ‡
1980	$ 89,685,000	$ 1,694,000
1979	83,030,000	2,023,000
1978	76,557,000	1,788,000
1977	63,795,000	1,935,000
1976	62,352,000	526,000

	No. of Com. Shares #	Earn. per. Share ‡ #
1980	1,959,000	$0.86
1979	1,980,000	1.02
1978	2,217,000	0.81
1977	2,604,000	0.74
1976	2,626,000	0.20

+ Of continuing operations only.
‡ Including extraordinary gains of $166,000 ($0.08 per share) in 1978, $861,000 ($0.33 per share) in 1977 and $37,000 ($0.01 per share) in 1976.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1980	1979
Traffic control	$ 22,184,000	$ 21,545,000
Process control	28,405,000	25,018,000
Fluids control	23,845,000	24,679,000
Services	15,251,000	11,788,000
Total	$ 89,685,000	$ 83,030,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	10%	—
1979	—	10%	—
1978	—	10%	—

Common Stock Equity

	Total Equity ‡	Equity Per Share #
1980	$ 20,445,000	$10.44
1979	18,815,000	9.50
1978	16,960,000	7.65
1977	19,235,000	7.39

‡ After allowing for preferred stock at liquidation value of $14 per share.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *
(000's)

Year ended		4/25/80		4/27/79
Net sales	$	89,685	$	83,030
Cost of sales		68,171		63,082
Expenses		15,836		15,002
Other income		(196)		(629)
Interest expense		3,528		2,653
Income before taxes	$	2,346	$	2,922
Income taxes		652		899
Net Income	$	1,694	$	2,023

* Included in Costs and Expenses, Depreciation: $1,290,000 in 1980 and $1.172,000 in 1979.

Assets
(000's)

As of		4/25/80		4/27/79
Cash	$	1,977	$	1,351
Receiv., net		25,547		21,548
* Inventories		22,162		21,173
Prepaid expenses		833		410
Current Assets	$	50,519	$	44,482
# Fixed assets		13,812		10,629
‡ Leased prop. under cap. leases		1,332		1,544
Other assets		333		516
Total Assets	$	65,996	$	57,171

Liabilities
(000's)

Long-term debt, curr.	$	835	$	802
Accts. payable		6,412		5,448
Accruals		5,773		4,865
Oblig. under cap. leases		442		418
Deferred income		427		551
Income taxes		334		54
Curr. Liabilities	$	14,223	$	12,138
Long-term debt		23,221		19,626
Long-term 10% sub. deben.		4,110		4,076
Deferred inc. taxes		369		195
Deferred income		1,307		—
+ Preferred stock		1,658		1,658
+ + Common stock		2,070		2,014
Add. paid-in capital		17,692		17,434
Retained earnings		4,076		3,772
Treasury stock		(2,730)		(3,742)
Total Liabilities & Shareholders' Equity	$	65,996	$	57,171

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
‡ Less accumulated amortization.
+ $10 stated value; Series A cumulative convertible.
+ + $1 par value.

Statistical Summary

%Income before Taxes to Sales	2.62	3.52
%Net Income to Sales	1.89	2.44
%Net Income to Equity	7.44	9.57
Sales to Inventories	4.05	3.92
Working Capital	$ 36,296,000	$ 32,344,000
Current Ratio	3.55	3.66
Shareholders' Equity	$ 22,766,000	$ 21,136,000

Lion Precision Corporation

60 Bridge Street
Newton, Massachusetts 02195
(617) 969-4710

Officers: Louis Michelson, president & treasurer; George Michaels, clerk.

Directors: Louis Michelson, George Michaels, Robert Massard, Arthur Miller, Arthur Pfaelzer.

Areas of Work: Designs and manufactures a line of contact and non-contact precision gaging systems and controls for industry. The line inludes spring gages, thickness gages, transducers, displacement and tension devices, wafer gages, and microprocessors.

Transfer Agent(s):

Gerry Hitt
c/o Corporate Offices

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	25	1977	45
1979	45	1976	30
1978	35		

Plant Footage:

1980	10,000 sq. ft.	1977	10,000
1979	10,000	1976	10,000
1978	10,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 1,462,863	$ 45,270
1979	1,627,056	79,506
1978	1,420,542	126,625
1977	1,028,037	50,880
1976	990,972	16,604

	No. of Com. Shares	Earn. per Share #‡
1980	590,430	$0.08
1979	590,430	0.13
1978	587,230	0.22
1977	588,230	0.09
1976	588,230	0.03

# Based on the weighted average number of shares outstanding.
‡ Including extraordinary credits of $34,000 ($0.06 per share) in 1978, $25,099 ($0.04 per share) in 1977 and $3,400 ($0.01 per share) in 1976.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$ —	—	—
1979	0.02	—	—
1978	0.02	—	—
1977	0.02	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 515,971	$0.87
1979	470,705	0.80
1978	401,414	0.68
1977	286,871	0.49
1976	235,991	0.40

Income Account *

Year ended Sept. 30		1980		1979
Net sales	$	1,462,863	$	1,627,056
Cost of sales		755,658		819,116
Product develop. costs		54,447		70,054
Expenses		596,825		613,327
Oper. profit	$	55,933	$	124,559
Interest expense (income)		(1,337)		1,053
Income before taxes	$	57,270	$	123,506
Income taxes		12,000		44,000
Net Income	$	45,270	$	79,506

* Included in Costs and Expenses, Depreciation and Amortization: $16,474,000 in 1980 and $13,091,000 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 23,482	$ 56,766
Accts. recceiv., net	204,045	135,393
* Inventories	362,699	436,289
Prepaid expenses	12,298	8,157
Current Assets	$ 602,524	$ 636,605
#Fixed assets	53,918	50,764
Other assets	49,095	37,500
Total Assets	$ 705,537	$ 724,869

Liabilities

Notes payable	$ 40,000	$ 35,000
Long-term debt, curr.	689	6,071
Accts. payable	42,551	109,933
Accruals	79,319	64,349
Accrued inc. taxes	7,007	23,811
Curr. Liabilities	$ 169,566	$ 239,164
Deferred comp.	20,000	15,000
+Common stock	188,115	188,115
Add. paid-in capital	320,662	320,666
Retained earnings (deficit)	27,175	(18,095)
Treasury stock	(19,981)	(19,981)
Total Liabilities & Shareholders' Equity	$ 705,537	$ 724,869

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.30 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.91	7.59
%Net Income to Sales	3.09	4.89
%Net Income to Equity	8.77	16.89
Sales to Inventories	4.03	3.73
Working Capital	$ 432,958	$ 397,441
Current Ratio	3.55	2.66
Shareholders' Equity	$ 515,971	$ 470,705

The Lionel Corporation

9 West 57th Street
New York, New York 10019
(212) 371-2100

Officers: Ronald D. Saypol, president and chief executive officer; Leo P. Arnaboldi, Jr., chairman of executive committee; Richard R. Schilling, Jr., exec. vice president& chief operating officer; Robert A. Stein, v.p.-corp. development; Ward A. Cavanaugh, v.p.-finance & treasurer; George A. Padgett, secretary; Michael J. Vastola, controller & asseasurer.

Directors: Richard R. Schilling, Jr.*, Leo P. Arnaboldi, Jr.*, Paul J. Chase, Ronald D. Saypol*, Joseph A. Gimma*, Donald R. Anselmi*, Eugene P. Bernardi, Stanley Gewirtz, Gordon H. Johnson, Arthur F. McGinness, Jr.

*Member of Executive Committee.

Subsidiaries:

Industrial and Commercial Group

Dale Electronics, Inc.
1356 28th Avenue
Columbus, Nebraska 68601
(402) 564-3131

Miniature power resistors, precision and commercial wirewound resistors, precision power wirewound resistors, precision potentiometers, wirewound and film trimmer potentiometers, thick film microcircuitry; special high reliability resistors, electrical connectors, resistor networks, other electronic and electromechanical assemblies, surge arrestors and crystal filters and oscillators.

Perfection Electric, Inc.
101 South 38th Street
Harrisburg, Pennsylvania 17111
(717) 564-7300

Warm gear speed reducers and automatic and self-service car washing and cleaning equipment.

Leisure Marketing Group

Lionel Leisure, Inc.
2951 Grant Avenue
Philadelphia, Pennsylvania 19114
(215) 671-3800

Operates a chain of 92 mass merchandising toy supermarkets under the names: Lionel Playworld, Lionel Kiddie Center, Lionel Toytown, and Lionel Toy City. In: Alabama (1), Arizona (2), Arkansas (2), Colorado (3), Florida (11), Georgia (4), Kansas (2), Louisiana (1), Maryland (7), Minnesota (2), Missouri (1), Nebraska (1), New Jersey (6), New York (3), North Carolina (1), Ohio (9), Oklahoma (3), Pa.(17), S.C. (1), Tenn. (3), Texas (9), and Virginia(3). Major product lines include toys, games, hobbies, wheel guards, juvenile furniture, playground equipment, pools, and sporting goods.

Transfer Agent(s):

First Jersey National Bank
One Exchange Place
Jersey City, New Jersey 07303

Stock Exchange(s): New York, Pacific, London

Ticker Symbol: LIO

Number of Employees:

1980	5,215	1977	4,425
1979	5,340	1976	3,950
1978	4,400		

Plant Footage: *

1980	4,268,000 sq. ft.	1977	2,550,000
1979	3,389,000	1976	2,400,000
1978	2,555,000		

* Includes manufacturing and warehouse areas and retail stores.

Sales and Earnings

	Net Sales +	Net Income
1980	$289,226,172	$ 5,347,342
1979	226,641,981	5,865,437
1978	175,661,138	3,351,147
1977	138,846,671	3,330,294
1976	113,600,570	1,964,002

	No. of Com. Shares #	Earn. per Share #
1980	5,778,599	$0.93
1979	5,406,758	1.08
1978	5,305,823	0.67
1977	5,255,295	0.63
1976	5,419,076	0.36

+ Of continuing operations only
# Based on average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	5%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 47,043,542	$7.00
1979	35,751,493	6.27
1978	28,194,570	5.51
1977	25,187,320	4.93
1976	22,876,253	4.22

‡ Adjusted to reflect stock dividend.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$287,357,495	$225,064,784
Other income	1,868,677	1,577,197
Total Income	$289,226,172	$226,641,981
Cost of sales	198,603,553	153,699,027
Expenses	67,307,395	53,213,926
Depreciation amortization	5,392,940	4,355,086
Interest expense	8,051,309	5,244,428
Income before taxes	$ 9,870,975	$ 10,129,514
Income taxes	4,439,292	4,231,058
Income from cont. oper.	$ 5,431,683	$ 5,898,456
Loss from discont. oper.	(84,341)	(33,019)
Net Income	$ 5,347,342	$ 5,865,437

Assets

As of Dec. 31	1980	1979
Cash	$ 8,802,166	$ 7,326,298
Short-term invest.	7,878,000	12,500,000
Receiv., net	17,929,243	15,503,229
Deferred inc. taxes	137,073	65,746
*Inventories	76,390,323	52,100,346
Prepaid expenses	1,482,417	1,302,909
Current Assets	$112,619,222	$ 88,798,528
Notes receiv.	3,401,056	3,122,713
Prop. under cap. leases	4,252,321	4,165,284
#Fixed assets	35,984,606	25,732,462
Other assets	9,014,235	3,267,961
Defer. charges	1,094,327	1,056,319
Intangibles	4,950,405	1,087,158
Total Assets	$171,316,172	$127,230,425

Liabilities

Long-term debt, curr.	$ 2,487,409	$ 2,410,663
Cap. lease oblig.	448,610	524,324
Accts. payable	59,834,692	36,581,833
Accruals	7,937,568	7,636,536
Accrued payroll	2,665,068	2,148,738
Taxes	9,168,150	7,543,259
Curr. Liabilities	$ 82,541,497	$ 56,845,353
Long-term debt	29,884,758	29,103,833
Cap. lease oblig.	10,172,549	4,638,339
Deferred income	23,304	23,304
Deferred inc. taxes	1,650,522	868,103
+Common stock	700,232	600,232
Add. paid-in capital	26,039,509	18,177,145
Retained earnings	21,117,497	18,282,561
Treasury stock	(813,696)	(1,308,445)
Total Liabilities & Shareholders' Equity	$171,316,172	$127,230,425

* At lower of cost (FIFO or retail method) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Net Income to Equtiy	11.37	16.41
Sales to Inventories	3.79	4.32
Working Capital	$ 30,077,725	$ 31,953,175
Current Ratio	1.36	1.56
Shareholders' Equity	$ 47,043,542	$ 35,751,493

Litton Industries, Inc.

360 North Crescent Drive
Beverly Hills, California 90210
(213) 273-7860

Officers: Charles B. Thornton, chairman of the board; Fred W. O'Green, president; Joseph T. Casey, Joseph S. Imirie, Arnold R. Kaufman, Burnell A. Gustafson, executive vice presidents; Leonard Erb, Robert H. Lentz, Grady W. Warwick, Joseph F.Caligiuri, sr. vice presidents; Wayne L. Grossvenor, sr. v.p. & controller; Charles S. Bridge, Charles A. Gallagher, John Grado, Nathaniel S. Howe, Robert F. Kane, Walter P. Lukens, Philip J. Lynn, Justin S. Openheim, Alex B. Owen, J. Robert Roe, Booth B. Strange, Julius W. Vetter, vice presidents; George E. Boullianne, treasurer; George W. Fenimore, vice presidents & secretary.

Litton Industries, Inc.

Directors: Charles B. Thornton, chairman; Glen McDaniel, Ransom M. Cook, M.A. Hollengreen, Fred W. O'Green, Jayne B. Spain, Norman H. Topping, James O. Wright, Don G. Mitchell, Geo. T. Scharffenberger, William S. Banowsky, Wallace W. Booth.

Areas of Work: Designs, manufactures and markets business machines and retail information systems, including office calculators, programmable calculators, scientific and engineering calculators, hand held calculators, business minicomputers, electronic point-of-sale systems, electromechanical sales registers, retail tag-making equipment and supplies, and retail information products; office furniture and equipment, office planning and design, and retail store design and fixtures; navigation and control systems, including, aircraft inertial navigation systems, missile inertial guidance systems, marine navigation instrument and systems, and automatedship control systems; communications and electronic data systems, including command and control systems, shipboard electronic systems, tactical communications and systems, tactical air support equipment, airborne warning and control systems, electronic surveilliance systems, radio navigation systems, and telephone communication systems; marine engineering and production, including naval surface ships, nuclear-powered submarines, containerships and bulk cargo ships, and marine design and engineering; machine tool systems, including disc and surface grinding machines, automatic bar and chucking machines, boring, milling and drilling machines, thread rolling machines, plastic injection molding machines, drills, taps, dies and cutting tools, hand tools, and specialty metal products; bulk material handling systems, portable and stationary crushing plants, and unit handling conveyor systems; electronic and electrical components including computer components and subassemblies, microwave devices and laser materials, servo components and potentiomets, printed circuit boards, industrial electric motors, and electrical lighting components; medical and electronic products, including electronic diagnostic and patient monitoring equipment, biomedical services and life science research, microwave cooking products and sound projection and recording equipment; also engaged in resource exploration.

Divisions and Subsidiaries:

Able-Stik Products
75 State Highway 17
Hasbrouck Heights, NJ 07604
(201) 288-4300
(800) 323-2708
Printed and die cut self-adhesive labels supplied in sheets, rolls and continuous fanfolds. Stock inventory of data processing labels, file cards and rotary index cards.

also:

6750 Belt Circle Drive
Bedford Park, IL 60638
(312) 585-0541

Route 50 East
East Athens, OH 45701
(614) 593-3311

Advanced Circuitry
4811 West Kearney Street
Mail to: P.O. Box 2847 CS
Springfield, Missouri 65803
(417) 862-0751
Printed and multilayer circuit boards, artwork design, board loading, back panels.

Aero Products
26540 Rondell Street
Calabassas, CA 91302
(213) 880-5200
Navigation and guidance systems for commercial airlines and general aviation, ground proximity warning systems.

also:

Cameron Commercial Centre
Room 2202-3, 22nd Floor
458-468 Hennessy Road
Hong Kong
5-762461 5-762537

6520 Powers Ferry Road, NW
Suite 200
Atlanta, GA 30339
(404) 955-0629

Marketing Representation:
9 Avenue Franklin Roosevelt
F-75008 Paris, France

36 Hertford Street
London, W1, England

Aero Service
8100 Westpark Drive
Mail to: P.O. Box 1939
Houston, Texas 77063
(713) 784-5800

Also:

218 Church Road
Elkins, PA 19117
(215) 635-2525
Photogrammetric and SLAR engineering, airborne and ground geophysical surveys,geophysical mapping, simulation sciences, resource exploration and evaluations.

Aero Service (Italy)
c/o Western Ricerche Geofisiche S.p.A.
Piazza della Reubblica 32
1-20124
Milan, Italy
Aerial surveys and photography.

Aero Service (Great Britain)
c/o Western Geophysical Company
288/290 Worton Road
Isleworth, Middlesex TW 7 6 EN England
Aerial surveys and photography.

Airtron
200 East Hanover Avenue
Morris Plains, New Jersey 07950
(201) 539-5500
Microwave components, including waveguides and ferrite devices; optical and magnetic crystals; jewelry products.

Amecom
5115 Calvert Road
College Park, Maryland 20740
(301) 864-5600
Electronic warfare systems; radio communications systems and products; radio navigation systems (OMEGA and LORAN) and products, including receivers; ship communications electronics.

ATAL (Litton Business Furniture)
7 rue Mariotte
75017 Paris, France
261 80 00
Metal and wood office furniture, desks, files, seating and cabinets.

Butterfield-Canada
Rock Island
Quebec, Canada JOB 2K0
(819) 876-2721
Metal cutting tools including drills, taps, and dies; reamers, end mills, cutters and hobs in high-speed steel, carbide tipped and solid carbide tool holders and carbide indexable inserts.

also:

Dominion Twist Drill
91 Cornelia St., West
Smiths Falls, Ontario
Canada K7A 4T3
(613) 283-8001

Carolina Gravure
P.O. Box 758
Lexington, SC 29072
(803) 356-3111
High and low pressure laminate papers for the furniture, building, and wallcovering industries.

Clifton Precision
Broadway and Marple Avenues
Clifton Heights, Pennsylvania 19018
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Synchros, resolvers, torquers, D.C. motors.

Clifton-Special Devices
5100 State Road
Drexel Hill, Pennsylvania 19026
(215) 622-1000
Digital display and readout systems for aircraft; converters, S/D and D/R; servo assemblies for aircraft and ships; data signal conversion equipment.

also:

P.O. Box 160
Murphy, NC 28906
(704) 837-5115

Cole U.S. (Litton Businss Furniture)
640 Whiteford Road
York, Pennsylvaia 17405
(717) 854-1545
Office furnishing products in contemporary, conventional and executive designs.

Cole-Canada (Litton Business Furniture)
1865 Birchmount Road
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(416) 293-8221
Steel and upholstered office furniture.

Contromatics
222 Roberts Street
East Hartford, Connecticut 06108
(203) 528-9935
Ball valves, pressure sealing butterfly valves and actuators, nuciear valves.

Data Command Systems
29851 Agoura Road
Agoura, CA 91301
(213) 991-9660
Systems engineering and program management for total air defense systems.

also:

P.O. Box 7049
Jeddah, Saudi Arabia

Data Systems
8000 Woodley Avenue
Van Nuys, California 91409
(213) 781-8211
Tactical communications systems, tactical data links, communications control systems, data processing and equipment, ground support equipment, air defense systems, command and control systems, data processing and display systems, military-recording systems, analog/digital conversion equipment, tactical air support, airborne warning and control, integrated ship control, light emitting diode displays, automatic test equipment.

also:

1801 Loop 289 N.E.
Lubbock, Texas 79408
(806) 762-0651
Production of circuit cards and power supplies.

425 East Fillmore Street
Colorado Springs, CO 80907
(303) 475-7220
Production of TSQ-73 subsystem and system upgrade of ITAOC.

4200 Michoud Blvd.
New Orleans, LA 70189
(504) 254-4530
Electronic design and packaging of command, control and communications systemsfor military.

Marketing Representation:
59 bis, rue du Bon Pasteur
1140 Brussels, Belgium
(02) 216-8057

Datalog
1770 Walt Whitman Road
Melville, New York 11747
(516) 694-8300
Nonimpact, ultra-high-speed digital printers; facsimile equipment and systems for grahic communications.

Decotone
180 State Road East
Mail to: P.O. Box 311
Westminister, Massachusetts 01473
(617) 874-5901
Rotogravure printing on paper, vinyl, acrylic and polystyrene films for use infurnishings and paneling; printing and embossing of vinyl films for lamination;custom design services; rotogravure engraved cylinders, Decotherm heat transferdye process.

Decotone Carolina
P.O. Box 482
Monroe, NC 28110
(704) 289-6441

Decotone-Permaco
Henry Fordlaan 9B-3600
Genk, Belgium
Rotogravure printing of papers, vinyl and styrene films for the laminating, furniture and building industries; coated recording papers for medical, scientificand industrial applications; design and dyeing of fabrics through heat transferprocess, Decotherm dye process.

Diamonair
200 East Hanover Avenue
Morris Plains, NJ 07950
(201) 539-5500
Jewelry and simulated diamonds.

Eldorado Tool & Mfg.
336 Boston Post Road
Milford, Connecticut 06460
(203) 878-1711
Gundrills; Gunreamers; gun drilling machines; high-pressure coolant systems and gundrill sharpening equipment.

Electron Tube
960 Industrial Road
San Carlos, California 94070
(415) 591-8411
Microwave tubes, including magnetrons, traveling wave tubes and klystrons; solid-state microwave oscillators; cathode ray tubes and tube related equipment; basic and applied research in electron devices; image intensifiers, night vision devices.

also:

1215 S. 52nd Street
Tempe, Arizona 85281
(602) 968-4471
Production of night vision devices.

1035 Westminster
Williamsport, PA 17701
(717) 326-3561
Production of magnetrons.

Encoder
20745 Nordhoff Street
Chatsworth, California 91311
(213) 341-6161
Encorders which provide shaft angle positions to interface with digital computer circuitry or computers in military, industrial and commercial systems.

Eureka X-Ray Tube
3250 North Kilpatrick Avenue
Chicago, Illinois 60641
(312) 545-3126
X-ray tubes for medical, dental and industrial applications.

Fitchburg Coated Products
East Corey Street
Moosic, Pennsylvania 18501
(717) 347-2035
Pressure sensitive adhesive products, recording and reproduction papers, and specialty coatings.

Fitchburg Paper
601 River Street
Fitchburg, Massachusetts 01420
(617) 345-4361
Specialty papers, including base papers for saturating, diazo coating, surgical, sterilization, photocopying, wallpaper, greeting cards and general printing; flame retardant papers.

Gardner Machine
481 Gardner Street
South Beloit, Illinois 61080
(815) 389-2251
Disc grinders, surface grinders and abrasive disc wheels.

Gardner Service Co.
Rt. # 6
Bellwood Road
P.O. Box 969
Calhoun, GA 30701
(404) 625-1270
Production of grinding wheels.

Guidance & Control Systems
5500 Canoga Avenue
Woodland Hills, California 91367
(213) 887-4040
Inertial navigation systems, doppler-inertial-loran navigation systems, stellar-inertial-doppler navigation systems, inertial measurement units, aircraft and missile inertial guidance systems; marine gyrocompasses and inertial navigator, inertial platforms, heading and attitude reference systems, gyroscopes and accelerometers; analog and digital electronic devices including input/output, displayand test equipment; digital computers for aircraft navigation, communications, missile guidance, electronic warfare and control systems; digital differential analyzers; ship control systems including propulsion, steering and auxiliary control subsystems and ship's bridge control systems and equipment; airborne range instrumentation systems.

also:

1001 Redwood Highway Spur
Grants Pass, Oregon 97526
(503) 479-7541
Assembly of electronic printed circuits and components for inertial navigationsystems.

2211 W. No. Temple
Salt Lake City, Utah 84116
(80) 328-2241
Fabrication, assembly and test of electronic equipment for inertial navigationsystems and other electronic components.

Hellige
Henrich-von-Stephanstrasse 4
Postfach 728
D-78 Freiburg/Breisgau, Germany
Medical electronic diagnostic equipment including electrocardiographs, electro encephalographs, defibrillators, multichannel recorders and other measuring and recording devices for pre-operative, surgical and postoperative patient monitoring systems; intensive care systems; blood testing equipment; compterized EKG analysis systems; measuring and recording equipment for industrial purposes.

also:

Hellige Austria
Herbeckstrasse 27
A-1180 Vienna, Austria
Marketing of Medical electronic equipment.

Hellige France
49, rue d'Oberhausbergen
B.P. No. 12 Eckbolsheim
F-67038 Strasbourg, Cedex
France
Marketing of medical electronic equipment.

Hellige Italia
Viale di Porta Vercellina 20
1-20123 Milan, Italy
Marketing of medical electronics equipment.

Hewitt-Robins Crushing & Vibrating Equipment
P.O. Box 1481
US Highway 1 North
Columbia, South Carolina 29206
(803) 788-1424
Crushers, portable and stationary crushing plants, feeders, shakeouts and vibratin screens.

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270 Passaic Avenue
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Conveyor idlers, mine conveyors, conveyor accessories, polyurethane "Tuffgard"products.

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(303) 547-2425

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New construction of naval and commercial ships; new construction and overhaul of conventional and nuclear-powered submarines, rail cars, oil rigs and platforms and other industrial products; advanced naval and commercial ship design; engineering and systems analysis.

also:

# 1 Allan Center, 10th Floor
Houston, TX 77002
(713) 650-0631

2341 South Jefferson Davis Highway
Suite 525
Arlington, VA 22202
(703) 979-7744

Institute of Computer Management
312 Stanwix Street
Pittsburgh, Pennsylvania 15222
(412) 261-2647

also:

1375 Euclid Avenue
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(216) 241-3964
Post-secondary education in the fields of computer programming and operations,accounting, court reporting, and secretarial sciences leading to a diploma or an associate degree.

Jefferson Electric
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(312) 626-7700
Ballasts, fluorescent and mercury vapor; transformers and electric clocks; electric isolation panels.

also:

315 Elm Street
Athens, Alabama 35611
(205) 233-0950

P.O. Box 52
Williamstown, Kentucky 41097
(606) 824-4482

Kester Solder
4201 Wrightwood Avenue
Chicago, Illinois 60639
(312) 235-1600
Soldering materials.

also:

1730 N. Orangethorpe Park
Anaheim, California 92805
(714) 871-0280

88 Ferguson Street
Newark, New Jersey 07105
(201) 589-0246

1 Prince Charles Road
P.O. Box 474
Brantford, Ontario, Canada N3T 5N9
(519) 753-3425

215 A Boon Keng Road
Kallang Industrial Estate
Singapore 12

Kimball M & M
3717 Park Place
P.O. Box 56
Montrose, California 91020
(213) 248-8560
Plastic and magnetic printing including identification cards, credit cards and revenue control tickets.

Kimball Systems Division
(Swedal International, Inc.)
64 East Midland Avenue
Paramus, New Jersey 07652
(201) 265-7000
Retail stock control and identification systems, including integrated data processing equipment and supplies for punched holes, OCR, and optical marked sensedtickets. Machines for producing punched holes and OCR tags and labels, electronic tag reading equipment.

Kimball Tag Products
151 Cortlandt Street
Belleville, New Jersey 07109
(201) 759-6500
Tickets, tags (multipart manifold, shipping, point-of-sale, specialty and die-cut) for production, packaging, distribution and merchandising.

Kimball Systems, Canada
85 Advance Road
Toronto, Ontario, Canada M8Z 2S9
(416) 233-1135

Tickets, tags, labels and imprinters for industrial, retail, and OCR applications.

Kimball Systems, Europe
Gubelstrasse 28
CH-8050 Zurich, Switzerland
Headquarters for Kimball Marketing Divisions in Europe.

Kimball Systems, France
105, rue de Tocqueville
FG-75017 Paris, France

Marketing and service of Kimball punch marking and magnetic encoding systems, OCR tags and labels.

Kimball Systems, Germany
Vossenackerstrasse 9
D-4040 Neuss, Germany
Marketing and service of Kimball punch marking and magnetic encoding systems, OCR tags and labels.

Kimball Systems, Great Britain
6 Totman Crescent
Weir Industrial Estates
GB-Rayleigh, Essex SS6-7XB, Great Britain
Manufacturing of tags and labels. Marketing and service of Kimball punch marking and OCR systems.

Kimball Systems, Italy
Via Montevideo #13
I-20144 Milan, Italy
Marketing and service of Kimball punch marking, OCR and magnetic encoding systems, tags and labels.

Kimball Systems Nederland B.V.
Marconistraat 7, P.O. Box 70
NL-6900 AB Zevenaar, Netherlands
Famox label marking machines; tags and labels of self-adhesive and heat-seal paper, cardboard and P.V.C., automatic dispensers and printing units; hand pricers.

also:

Parnassusweg 201
NL-Amsterdam, Netherlands
Marketing and service of Kimball punch marking, OCR systems.

Kimball Systems, Sweden
Kyrkbacken 9-11
Box 3013
S-17103 Solna 3, Sweden
Marketing and service of Kimball punch marking, OCR and magnetic encoding systems, tags and labels.

Kimball Systems, Switzerland
Seefeldstrasse 123
CH-8034 Zurich, Switzerland
Marketing and service of Kimball punch marking, OCR and magnetic encoding systems, tags and labels.

Koehler-Dayton
P.O. Box 3100
South Street
New Britain, Connecticut 06050
(203) 225-3501
Waste management systems and technology for military, recreational, mass transportation and related capsulated population industries, including ships, buses, aircraft, trains, recreational homes, marinas and other applications.

Landis Lund
Cross Hills, Keighley BD 20 7SD
Yorkshire, England
Precision cylindrical grinding machines and disc grinders.

Landis Tool
East Sixth Street
Waynesboro, Pennsylvania 17268
(717) 762-2161
Precision cylindrical grinding machines.

Lehigh-Leopold (Litton Business Furniture)
2825 Mt. Pleasant Street
Burlington, Iowa 52601
(319) 753-2271
Executive and general office furniture, upholstered office seating in wood andmetal.

also:

150 East 58th Street
New York, New York 10022
(212) 593-0900
Wooden and upholstered office furniture.

Liberty Wire
2333 Wisconsin Avenue
Downers Grove, Illinois 60515
(312) 242-4420
Magnetic wire; bunched and stranded copper wire, bare and tinned, aluminum wire.

LITAL
(Litton Italia S.p.A.)
(Guidance & Control Systems)
Via Pontina km 27,800
Mail to: Casella Postale 10064 EUR
1-00040 Ponezia (Rome), Italy
Inertial navigation systems for aircraft; military computers.

LITEF (Litton Technische Werke)
Loerracherstrasse 18
Postfach 774
D-7800 Freiburg, Germany
Inertial navigation systems; marine gyro compasses and navigation systems; attitude and heading reference platforms; gyroscopes and accelerometers; digital computers; interface electronics, Doppler navigation, tactical control and display.
also:

Wachsbleiche 29
D-5300 Bonn, Germany

Litton Bionetics
5516 Nicholson Lane
Kensington, Maryland 20795
(301) 881-5600
Biomedical services in life science research; clinical laboratory testing services; biologic safety testing and evaluation; research laboratory products; primate and animal breeding.

also:

101 West Jefferson Street
Falls Church, VA 22046
(703) 532-9066

1330 Piccard Drive
Rockville, MD 20854
(301) 881-5600

(Frederick Cancer Research Center)
Post Office Box B
Frederick, MD 21701
(301) 663-8000

(Primate Center)
P.O. Box 557
Yemassee, SC 29945
((03) 589-5190

Litton Business Systems Holland BV
(HEADQUARTERS)
Vrijzicht 79
P.O. Box 9267
NL-1006 AG Amsterdam
Netherlands
Tax and accounting computation.

Litton Computer Services
1831 Michael Faraday Drive
Reston, Virginia 22090
(703) 471-9200
Computer processing and related services; time sharing, remote job entry, computer programming, data base system design.

Litton Energy Control Systems Division
8944 Mason Avenue
Chatsworth, California 91311
(213) 341-5251
Computerized energy management systems which also monitor and control machinery, to increase productivity in an industrial environment, related sensors for measuring temperature and electric power, installation and maintenance services.

Litton Employees Federal Credit Union
21114 Vanowen Street
Canoga Park, CA 91303
(213) 999-6900

Litton Fastening Systems
3969 Paramount Boulevard
Lakewood, California 90712
(213) 421-3711
Precision fasteners for industry, high strength and high temperature; self-locking Orlo fasteners; hydraulic compenents, swivels extensions and fittings.

Litton Financial Printing
6920 East Slauson Avenue
Los Angeles, California 90040
(213) 724-1900
Administrative headquarters for Litton Financial Printing operations.

also:

2546 N. Clovis Avenue
Fresno, California 93727
(209) 291-0646

5181 Santa Fe Street
San Diego, California 92109
(714) 273-4006

2770 DeLa Cruz Boulevard
Santa Clara, California 95050
(408) 246-3272

202 East Sharp Street
Spokane, Washington 99202
(509) 326-9401

2455 North Huachuca Drive
Tucson, Arizona 85705
(602) 622-4796

Palmer Road
Monson, Maine 01057
(413) 267-4021

1560 West Ogden Avenue
Naperville, Illinois 60540
(312) 355-1980
Business and personal checks, forms and passbooks, payroll check systems, accounts payable systems, plastic items.

Litton Industries Credit Corporation
(HEADQUARTERS)
600 Summer Street
P.O. Box 601
Stamford, Connecticut 06904
(203) 359-2700
Financing provided for Litton products and Litton-related products through leases and security agreements.

Litton Industrial Credit Corporation-
Midwestern Region
477 West Wrightwood Avenue
Elmhurst, Illinois 60126
(312) 279-1920

Litton Industries Credit Corporation
Southern Region
3783 Northeast Expressway, Suite 102
Atlanta, Georgia 30340
(40) 452-2250

Litton Industries Credit Corporation—
Western Region
2025 Gateway Place, Suite 354
San Jose, California 95103
(408) 279-4880

Litton Industries European Office
Gubelstrasse 28
CH-8050 Zurich, Switzerland

Litton Industries Far East Office
Central P.O. Box 760
Tokyo, Japan

Litton Industries Regional Office
201 East 42nd Street
New York, New York 10017
(212) 661-1111

Litton Industries Regional Office
490 L'Enfant Plaza East, S.W.
Washington, D.C. 20024
(202) 554-2570

Litton Industries Regional Public Relations Office
303 East Wacker Drive, Suite 1211
Chicago, Illinois 60601
(312) 664-4558

Litton International S.A.
Gubelstrasse 28
8050 Zurich, Switzerland
Holding company.

Litton Medical Electronics
777 Nicholas Boulevard
Elk Grove, Illinois 60007
(312) 593-8070
Marketing of medical electronics.

Litton Microwave Cooking Products
1405 Xenium Lane North
P.O. Box 9461
Minneapolis, Minnesota 55440
Exec. Officers (612) 553-2000
Toll free (800) 328-3338
Microwave ovens and accessory products for commercial, institutional, vending and home use.

also:

600 East 54th Street, North
Sioux Falls, South Dakota 57104
(605) 336-2222
Production of countertop microwave ovens.

Litton Microwave Cooking Products
(Canada) Ltd.
6650 Finch Avenue, West
Rexdale, Ontario, Canada M9W 5Y6
(416) 675-7051

Litton Microwave Cooking Products Ltd.
1st Floor, Mint House
6 Stanley Park Road
GB-Wallington, Surrey
Great Britain

also:

Vrijzicht 79
P.O. Box 9267
NL-1006 AG Amsterdam, Netherlands

Litton Office Products Centers
135 Community Drive
Great Neck, New York 11021
(516) 829-9610

Litton Office Products Centers—
Mid-Atlantic Region
505 Broadway
New York, New York 10012
(212) 966-2900

Litton Office Products Centers—
New England Region
184 Windsor Avenue
Wilson, Connecticut 06095
(203) 522-2291

142 Trumbull Street
Hartford, Connecticut 06103
(203) 522-2291

991 Farmington Avenue
West Hartford, Connecticut 06107
(203) 233-2158

322 Boston Post Road
Milford, Connecticut 06460
(203) 874-6743

84 Kingston Street
Boston, Massachusetts 02111
(617) 542-2028

Litton Office Products Centers—
Southeast Region
1101 East Laburnum Avenue
Richmond, Virginia 23222
(804) 329-3561

614 West Southside Plaza
Richmond, Virginia 23224
(80) 232-6106

1627 Willow Lawn Drive
Richmond, Virginia 23230
(804) 288-8810

1927 West Pembroke Avenue
Hampton, Virginia 23361
(804) 247-3663

3016 Memorial Avenue
Lynchburg, Virginia 24501
(804) 845-9028

20 Fayette Street
Norfolk, Virginia 23510
(804) 625-6506

3215 Brandon Avenue, S.W.
Roanoke, Virginia 24018
(703) 344-4347

3423 North Market Street
Pascagoula, Mississippi 39567
(601) 762-9415

Litton Office Products Centers
Southern Region
5301 NW 37th Avenue
Miami, FL 33142
(305) 633-4327

1210 NE 163rd Street
North Miami Beach, FL 33162
(305) 945-4166

3661 North Federal Highway
Fort Lauderdale, FL 33308
(305) 566-2000

Litton Office Products Centers
Southwest Region
580 North Shepherd Drive
Houston, Texas 77007
(713) 668-3600

1950 Rutland Drive
Austin, Texas 78758
(512) 837-7793

1474 Price Road
Brownsville, Texas 78520
(512) 542-7424

216 Mesquite Street
Corpus Christi, Texas 78403
(512) 884-9406

1510 Guadelupe Street
Laredo, Texas 78040
(512) 722-8144

2643 Mossrock Road
San Antonio, Texas 78201
(512) 341-9111

104 Wonderland Center
San Antonio, Texas 78216
(512) 734-7951

Litton Office Products Centers
Western Region
364 South Anderson Street
Los Angeles, California 90033
(213) 269-7461

228 East Harris Street
South San Francisco, California 94080
(415) 873-9410
Office supplies, furniture and fixtures, printing, advertising specialities, engraver of letterheads and stationery, business machines, space planning and interior design.

Litton Precision Gear
4545 South Western Boulevard
Chicago, Illinois 60609
(312) 847-4211
Precision gears and aircraft parts

Litton Precision Products International
Sales of Litton and non-Litton manufactured electronic and electro-mechanical components.

(France)
58, rue Pottier
F-78150 Le Chesnay, France

(Germany)
Oberfoehringerstrasse 8
D-8 Munich 80, Germany
Headquarters for European Offices of LPPI.

(Great Britain)
95 High Street
GB-Slough, Bucks, Great Britain SLI 1 DH

(Italy)
Via Arco 4
I-20121 Milan, Italy

(Netherlands)
Van Utrechweg 25,
NL-2921 LN Krimpen a.d. Yssel
Netherlands

(Sweden)
Warfvinges Vag 32
Box 30095
S-104 25 Stockholm, Sweden

(Switzerland)
Gubelstrasse 28
CH-8050 Zurich, Switzerland

Litton Resources Systems
3930 Westholme
Houston, Texas 77063
(713) 781-8871
Manufacture, sale and maintenance of electronic digital recording and processing equipment for the geophysical industry. Land and marine seismic detectors andcables.

also:

8400 Westpark Drive
Houston, Texas 77063
(713) 784-0510

P.O. Box 3340
Galveston, Texas 77552
(713) 744-7121

P.O. Box 400
Bellaire, Texas 77401
(713) 666-7454

1001 Bypass #35
P.O. Box 710
Alvin, TX 77511
(713) 331-6451

(LRS Canada, Ltd.)
#1 6125 11th St., S.E.
Calgary, Alberta T2H 2L6
Canada
(403) 259-5413

Litton Systems Canada Limited
25 Cityview Drive
Rexdale, Ontario, Canada M9W 5A7
(416) 249-1231
Inertial navigation systems, weapons delivery computers and systems, aerospaceground equipment, tactical data systems, airborne surveillance radar, precision electromechanical devices, electronic control systems, engineering development-.product support, Simulators, inertial reference flight inspection systems, intrusion detection and surveillance systems, radar simulation training systems and air navigation procedures trainers security systems.

Litton UHs (Unit Handling Systems)
7100 Industrial Road
Florence, Kentucky 41042
(606) 371-6430
Unit-handling conveyor systems and equipment; automated warehousing systems, overhead conveyor systems.

also:

UHS von Gal Palletizers
3101 Old Haynefield Road
P.O. Drawer 177
Montgomery, Alabama 36195
(205) 269-2355
Pallet loading and unloading equipment for material handling systems.

7875 Convey Court
San Diego, California 92111
(714) 560-4921

11325 Pegasus St.
Dallas, TX 75238
(214) 349-8229

22 Perimeter Center East
Atlanta, GA 30346
(404) 393-4045

8 St. Albans Avenue
Newton Square, PA 19073
(215) 356-4600

500 West Central Road
Mt. Prospect, IL 60056
(312) 398-5650

Litton Industries, Inc.

Litton World Trade Corporation
Gubelstrasse 28
8050 Zurich, Switzerland

Development of Litton trade with Mideast and Eastern countries.

Louis Allis
427 East Stewart Street
Milwaukee, Wisconsin 53201
(414) 481-6000

Electric motors, industrial, 1-10,000 HP, AC and DC; standard and engineered drives and systems, rotating and solid-state adjustable, alternators, generators,special compressors.

also:

16555 West Ryersn Road
New Berlin, Wisconsin 53151
(414) 782-0200

555 Lawton Avenue
Beloit, Wisconsin 53511
(608) 365-4491

Generators, alternators, and screw compressors.

Lucas Machine
12302 Kirby Avenue
Cleveland, Ohio 44108
(216) 451-5588

Boring, milling and drilling machines (horizontal and vertical), largely equipped with numberical controls; vertical NC profilers for contour milling of titanium and super alloys; microprocessor machinery systems.

McBee Systems
151 Cortlandt Street
Belleville, New Jersey 07109
(201) 759-6500

Manual accounting and posting systems and forms, with supporting equipment.

McBee-Canada
179 Bartley Drive
Toronto, Ontario M4A 1E8, Canada
(416) 751-6120

Manual accounting and posting systems, with supporting machines and equipment.

McBee-Mexico
47 Bahia de San Hipolito
Apartado 28925
Mexico D.F., 17
Mexico City

Manual accounting and posting systems.

Mellonics
1001 West Maude Avenue
Sunnyvale, California 94086
(408) 245-0795

Services and systems; computer programming and software development; data systems design; systems engineering and engineering services; operations analysis, technical communication programs; systems operational test and evaluation; electronic warfare computer program development.

also;

2301 Jefferson Davis Highway
Suite 506
Arlington, VA 22202
(703) 528-8111

8305 Vickers Street
Suite L
San Diego, California 92111
(714) 565-8446

Building 260
Camarillo Airport
Industrial Park
275 East Pleasant Valley Road
Camarillo, California 93010
(805) 987-1311

Mellonics Information Center
6701 Variel Avenue
Canoga Park, California 91303
(213) 887-5100

Computer processing and associated services; batch processing, time sharing, remote job entry, on-line data base management, computer programming, legal and litigation support services.

Merriman
100 Industrial Park Road
Hingham, Massachusetts 02043
(617) 749-5100

Textile rings, self-lubricating construction bearings, powdered metal parts, helical and spur gears.

Mijnhardt
Singel 45
3984 NV Odijk, Netherlands

Medical instruments for lung-function testing and ergometry.

Monroe Systems for Business
The American Road
Morris Plains, New Jersey 07950
(201) 540-7300

Mail to:

P.O. Box 9000-R
Morristown, New Jersey 07960

Electronic programmable desktop calculators and minicomputers for business and technical use; electronic calculators for general business; hand-held calculators adding machines.

also:

Litton Road
Lexington, South Carolina 29072
(803) 359-2525

Monroe (Canada)
4500 Dixie Road
Mississauga, Ontario L4W 1W4, Canada
(416) 625-7240

Sales and service of Monroe office calculators, adding and accounting machines.

Monroe International
Europe-Africa-Middle East
Gubelstrasse 28
CH-8050 Zurich, Switzerland

Area marketing/service group for Monroe calculators.

Monroe (Far East)
P.O. Box 6475, Tsim Sha Tsui
Kowloon, Hong Kong

Back-up service for Monroe products; training of Monroe technicals for Asiatic-Pacific dealers.

Monroe (Far East)
P.O. Box 96475, Tsim Sha Tsui
Room 910
Champion Building
301-309 Nathan Road
Kowloon, Hong Kong

Sales and service for Monroe products.

Monroe Venezolana
Apartado Postal 6678
Caracas, Venezuela, Zona 101

Sales and service of Monroe calculators.

New Britain Machine
P.O. Box 1320
South Street
New Britain, Connecticut 06050
(203) 229-1641

Single and multiple spindle automatic bar machines; chucking machines, horizontal single and multiple spindle; numerically controlled chucking machines; contour turning and boring machines, friction welding machines and special machines.

also:

Lund Manufacturing Company
Lund Industrial Road
Saco, Maine 04072
(207) 282-3336

Machine tool components and attachments.

New Britain Plastics Machine
South Street
New Britain, Connecticut 06051
(203) 224-7761

Plastics injection molding machines, processing monitoring controls.

New Britain Tool
P.O. Box 1320
South Street
New Britain, Connecticut 06050
(203) 224-7161

Mechanics hand tools for industry and the home market.

also:

2903 Lee Avenue
Sanford, North Carolina 27330
(919) 775-7154

Alumni Drive
P.O. Box K
Newington, CT 06111
(203) 667-2241

(Storms Drop Forging Division)
160 Cottage Street

Mail to:

P.O. Box 2050
Springfield, Massachusetts 01101
(413) 785-1801

Producer of special forgings for the aircraft industry, hand tools industry, general hardware applications; made from alloy, stainless, titanium and heat-resisting alloys.

Closed die forgings of carbon, steel, titanium, aluminum, brass and exotic metals.

Paper Printing and Forms Group Offices
601 River Street
Fitchburg, Massachusetts 01421
(617) 345-4361

Papeterie de Versoix
1290 Versoix (Geneva), Switzerland

Production offset, continuous form, writing and envelope paper.

C. Plath
Gertigstrasse 48
D-2000 Hamburg 60, Germany

Advanced and conventional marine navigational equipment, including gyro compasses, automatic pilots, electronic main-steering systems, rate-of-turn indicators,radio navigation equipment. EM-log, sextants, magnetic compasses and general nautical instruments.

also:

4927 Calvert Road
College Park, Maryland 20740
(301) 864-5600

Poly-Scientific
1213 North Main Street
Blacksburg, Virginia 24060
(703) 552-3014

Slip ring assemblies, miniature to large, for all applications including body scanners, offshore mooring and geophysical, cockpit instrumentation, inertial navigation, helicopter deicing, cable reels, radar pedestals, military vehicle turrets, high speed turbine testing and and hard vacuum; rotary swtiches; arm/disarm devices; molded cable assemblies; perimeter protection (burglar) systems and related components.

Also analytical services including physical and chemical analysis particularlyas relates to contamination and tribological research of electric contracts.

Potentiometer
750 South Fulton Avenue
Mount Vernon, New York 10550
(914) 664-7733

Precision potentiometers and precision rheostats in rotary, multiturn and singleturn rectilinear and sector types; pendulum transducers; resistors, rotary switches; servo modules; Compulift crane warning systems and load sensing systems.

Reed Rolled Thread Die
Industrial Park
Holden, Massachusetts 01520
(617) 829-4491

Thread rolling machines, dies, attachments, thread rolls and knurls.

Robins Engineering & Constructors
711 Union Boulevard
Totowa, New Jersey 07512
(201) 256-7600

Design and installation of bulk material handling systems, including belt conveyor systems, and blending, storage and reclaiming systems.

Standard Desk (Litton Business Furniture)
1000 St. Martin Boulevard
Laval, Quebec, Canada H7S 1M7
(514) 663-3030

Executive and general office furniture, upholstered office seating in wood andmetal, SOLVE modular furniture systems.

Storms Drop Forging (New Britain Tool)
160 Cottage Street

Mail to:

P.O. Box 2050
Springfield, Massachusetts 01101
(413) 785-1801
Producer of special forgings for the aircraft industry, hand tools industry, general hardware applications; made from alloy, stainless titanium and heat-resisting alloys. Closed die forgings of carbon, steel, titanium, aluminum, brass andexotic metals.

Streater (Litton Business Fixtures)
411 South First Avenue
Albert Lea, Minnesota 56007
(507) 373-0611
Store planning consultation including planning, decor design, fixture manufacturing, installation and financing for independent, discount, chain and department stores; manufacture of store fixture and decor, interior and exterior planning, design and installation.

Sturgis Newport
905 G Street

Mail to:

P.O. Box 9249
Hampton, Virginia 23670
(804) 245-3246

also:

960 East Milwaukee Street
Whitewater, Wisconsin 53190
(414) 473-5200

Jacob & St. Joseph Streets
Sturgis, Michigan 49091
(616) 651-2301
Salesbooks, continuous forms, register forms, unit sets.

Svenska Dataregister
Vretenvogen 2, Fack
S-17203 Sundbyberg 3, Sweden
Sweda electromechanical sales registers and related retail automation equipment.

Sweda International (World Headquarters)
34 Maple Avenue
Pine Brook, New Jersey 07058
(201) 575-8100
Electronic and electromechanial cash register systems: Litton ABS electronic business systems utilizing mini-computers.

Sweda International (European Headquarters)
Litton House
52/56 Buckingham Street
GB-Aylesbury, England
Buckinghamshire HP 20 2LW
Sales and service of Sweda electromechanial, electronic cash registers and point of sale systems in Europe, Africa, Asia and Australia

Sweda, S.A.C.I., Argentina
Tacuari 147
Buenos Aires 1071, Argentina
Sales and service of Sweda electromechanical, electronic cash registers and point of sale systems.

Sweda International, Austria
Rennweg 46-48
A-1030 Vienna 111, Austria
Sales and service of Sweda electromechanical, electronic cash registers and point of sale systems.

Sweda International, Belgium
59 rue du Bon Pasteur
B-1140 Brussels, Belgium
Sales and service of Sweda electromechanical, electronic cash registers and point of sale systems.

Sweda International, Canada
4700 Dixie Road
Mississauga, Ontario L4W 2R1 Canada
(416) 624-5111
Sales and service of Sweda electronic cash registers and point of sale systems.

Sweda International, France
Tour Franklin— CEDEX No. 11
F-92081 Paris La Defense, France
Sales and service of Sweda electromechanical, electronic cash registers and point of sale systems.

Sweda International, Germany
Am Heerdter Hof 11-13
Postfach 5128
D-4000 Dusseldorf-Heerdt 1, Germany
Sales and service of Sweda electromechanical, electronic cash registers and point of sale systems.

Sweda International, Great Britain
Sweda House
New Street
Aylesbury, Buckinghamshire HP20 2NA
Great Britain
Sales and service of Sweda electromechanical, electronic cash registers and point of sale systems.

Sweda International, Italy
Registratori di Cassa Svedesi S.p.A.
Via Leonardo da Vinci 154-162
1-20090 Milano Trezzano, Italy

Sweda de Mexico
Guillermo Prieto 76
Mexico City 4, D.F., Mexico
Sales and service of Sweda electromechanical, electronic cash registers and point of sale systems.

Sweda International, Netherlands
Brouwerstratt 4
P.O. Box 224
NL-Amersfoort, Netherlands
Sales and service of Sweda electromechanical, electronic cash registers and point of sale systems.

Sweda International, Spain
Apolonia Morales 13
E-Madrid 16, Spain
Sales and service of Sweda electromechanical, electronic cash registers and point of sale systems.

Sweda International, Sweden
Vretenvagen 2, Fack
P.O. Box 364
S-172 03 Sundbyberg, Sweden
Sales and service of Sweda electromechanical, electronic cash registers and point of sale systems.

Sweda International, Switzerland
Seefeldstrasse 123
Postfach 310
CH-8034 Zurich, Switzerland
Sales and service of Sweda electromechanical, electronic cash registers and point of sale systems.

Triad-Utrad
305 North Briant Street
Huntington, Indiana 46750
(219) 356-7100
Transformers, high voltage power supplies deflection yokes, inductors, conventer-battery charges, inverters ballasts, and ferro-resonant transformers for microwave ovens.

Twin City Tool
1001 West U.S. 56 Highway
Olathe, Kansas 66061
(913) 782-2200
Precision plain and universal grinding machines.

Union/Butterfield
134 Chestnut Hill Avenue
Athol, Massachusetts 01331
(617) 249-3221
Drills, cutters, hobs, reamers, carbide tools, taps, dies, counterbores, end mills.

also:

Derby Line, Vermont 05830
(802) 873-3106
Drills, taps and dies; reamers, end mills, cutters, and hobs in high-speed steel, also carbide tipped and solid carbide.

Mail to:

Belt Line Road
P.O. Box 1239
Gaffney, South Carolina 29340
(803) 489-5751
Drills for the metal working industry.

Rickert & Shafter
2669 West 17th Street
Erie, PA 16505
(814) 838-3401
Manufacturer of collapsible taps and automatic die heads.

Union Chain
West Monroe Street
Sandusky, Ohio 44870
(419) 626-4560
Conveyor accessories, conveyor system components, overhead conveyor systems, mine conveyors, power and free chains.

USECO
13536 Saticoy Street
Van Nuys, California 91409
(213) 786-9381
Standard and custom screw machine products; terminals; spacers, inserts, knobs,handles, jacks, pins and terminal boards. Standard and custom molded products;connectors, headers, and insulated terminals. Customer electromechanical assemblies; card cages, connectors and back panel frames.

Valentine Pulp and Paper
P.O. Box 280
Lockport, Louisiana 70374
(504) 532-3314
Production of offset printing and tablet paper from bagasse, a by-product fromcane sugar production.

Veam
Via Statuto 2
1-20020 Arese/Milan, Italy
Electronic cylindrical connectors. "Products distributed by Litton Precision Products International"

also:

56 New Wood Road
Watertown, CT 06795
(203) 274-9681

Veam Elektro-Anschulusstechnik GmbH
P.O. Box 1304
Scharnhaeuser Strasse 3
D-7024 Fildestadt 1/Stuttgart
Germany
Electronic cylindrical connectors.

Western Geophysical
10001 Richmond Avenue
Houston, Texas 77042

Mail to:

P.O. Box 2469
Houston, Texas 77001
(713) 789-9600
Land and marine geophysical seismic surveys for petroleum industry; processingand interpretation of field data at five digital service centers.

also:

Bldg. 29, Denver Technical Center
8455 East Prentice
P.O. Box 3118
Englewood, Colorado 80111
(303) 770-8660

Western Geophysical (Canada)
530 71st Avenue S.E.

Mail to:

P.O. Box 5250 Station A
Calgary 9, Alberta, Canada T2H 1X6
(403) 253-7101

Western Geophysical (Great Britain)
455 London Road, Isleworth TW7 5AB
GB-Middx., Great Britain

Western Geophysical (Singapore)
37B Union Industrial Bldg.

Mail to:

Box 94
Thomson Road, P.O.
Singapore 20

Litton Industries, Inc.

Western Geophysical (Thailand)
120/1 Daroon Samran Street
Taladnoi, Muand Khon Kaen
Thailand

Western Ricerche Geofisiche S.p.A.
Piazza della Republica 32
1-20124 Milan, Italy

Westrex
360 North Crescent Drive
Beverly Hills, California 90210
(213) 273-7860

also:

2629 West Olive Avenue
Burbank, California 91505
(213) 846-3394
Manufacture, sale and maintenance of recording equipment for recording studiosand projection equipment for theaters; projector carbons; teletype equipment for peripheral computer application; and public address systems equipment.

Westrex Asia
Luk Hoi Tong Bldg.
Room 1302
31 Queen's Road Central
Hong Kong
Sales and service of Westrex, Sweda and Kimball products.

also:

802 Bai Kung Building
490 Tun Hua South Road
Taipei, Taiwan
Sales and service of Litton products.

Westrex Italy
65, Via Constantino Maes
1-00162 Rome, Italy
Sound recording and reproducing equipment for television and motion picture studios.

Westrex UK
Bilton Fairway Estate
Long Drive
Greenford Middlesex
Great Britain
Headquarters for Westrex International operations and all Westrex activities outside the U.S. Manufacture, sale and maintenance of recoruing equipment for recording studios and projection equipment for theaters; projection carbons; teletype equipment for peripheral computer application; public address systems.

Westrex Orient
Chiyoda Building
Marunouchi, Chiyoda-Ku 14, 2-Chome

Mail to:

Central P.O. Box 760
Tokyo, Japan
Distribution of Litton products; purchase of products manufactured in Japan for export to Litton divisions; technical licensing; exchange of technology and distribution of products between Litton divisions and Japanese firms.

Westrex O.E.M. Products
51 Penn Street
Fall River, MA 02724
(617) 676-1011

also:

1140 Bloomfield Avenue
West Caldwell, NJ 07006
(201) 227-7290

103-105 rue de Tocqueville
75017, Paris, France
A full line of Matrix-DOT line printers, and paper tape, readers/punches.

Winchester Electronics (LPPI)
Main & Hillside Avenue
Oakville, Connecticut 06779
(203) 274-8891
Electronic and electrical connectors for computers and other industrial, commercial and military uses; back panel wirewrap and design; connector accessories and tools; insulated terminals.

also:

Winchester Electronics
(Division of LPPI GmbH)
Otto-Hahn-Strasse 8
D-7100 Biberach/Heilbronn, Germany
Manufacture of connectors for electronic and data processing and telecommunication industries; back panel wirewrap. IDC connectors.

Xcel Mold and Machine
7661 Freedom Street
North Canton, Ohio 44720
(216) 499-8450
Molds for plastic and diecast parts.

Transfer Agent(s):

Litton Industries, Inc.
Shareholder Services
P.O. Box 5555
Beverly Hills, California 90210

Stock Exchange(s): New York, Boston, Midwest, Pacific, Cincinnati

Ticker Symbol: LIT

Number of Employees:

1980	75,400
1979	78,000
1978	90,400
1977	94,000
1976	92,800

Plant Footage:

1980	17,938,000 sq.ft.
1979	17,938,000
1978	17,938,000
1977	19,317,000
1976	19,900,000

Sales and Earnings

	Net Sales ‡ (000's)	Net Income + (000's)
1980	$ 4,246,532	$ 290,821
1979	4,087,809	188,887
1978	3,653,209	(90,843)
1977	3,442,924	55,906
1976	3,350,377	28,297

	No. of Com. Shares #	Earn. per Share # +
1980	38,485,098	$7.42
1979	38,326,510	4.77
1978	38,067,441	—
1977	38,200,346	1.31
1976	38,157,200	0.59

(Loss)
‡ Of continuing operations only. Includes service revenues.
+ Including extraodinary gain of $16,480,000 ($0.43 per share) in 1976.
# Based on weighted average number of common and preference shares outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1980 (000's)	1979 (000's)
Business systems & equip.	$ 656,163	$ 1,110,934
Electronic and electrical products	925,614	782,642
Industrial systems & services	1,001,188	780,463
Paper, printing and pub.	354,746	341,502
Advance electronic sys.	733,142	579,084
Marine engineering and production	631,693	547,390
Intergroup eliminations	(75,916)	(69,626)
Miscellaneous	19,902	15,420
	$ 4,246,532	$ 4,087,809

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	2%	—
1979	—	2½%	—
1978	—	2½%	—
1977	—	2½%	—
1976	—	2½%	—

Common Stock Equity

	Total Equity ‡	Equity Per Share #
1980	$1,097,452,000	$28.52
1979	845,922,000	22.07
1978	668,999,000	17.57
1977	762,913,000	19.97
1976	709,697,000	18.60

‡ After allowing for preferred stock at liquidation value.
# Based on weighted average number of common and preference shares outstanding adjusted to reflect stock dividends.

Income Account *
(000's)

Year ended July 31	1980	1979
Sales and service revenues	$ 4,246,532	$ 4,087,809
Cost of sales	3,024,043	2,955,133
Expenses	662,247	688,979
Depreciation	105,638	104,833
Interest expense (income)	(56,990)	16,787
Currency adjustments	(2,282)	35,367
Gain on sale	(21,784)	(42,197)
Income before taxes	$ 535,660	$ 328,907
Income taxes	244,839	140,020
Net Income	$ 290,821	$ 188,887

Assets
(000's)

As of July 31	1980	1979
Cash & market secur.	$ 788,160	$ 410,123
Short-term invest.	220,000	314,000
Accts. receiv., net	698,583	628,177
* Inventories	633,489	502,615
Prepaid expenses & taxes	121,389	225,687
Current Assets	$ 2,461,621	$ 2,080,602
Minority interest	60,513	52,114
Investments	38,256	112,271
# Fixed assets	656,620	561,965
Other assets	9,051	8,417
Intangibles	38,230	38,929
Total Assets	$ 3,264,291	$ 2,854,298

Liabilities
(000's)

Notes payable	$ 143,287	$ 39,087
Long-term debt & cap. lease oblig., curr.	48,902	18,273
Accts. payable	414,439	404,858
Payroll expenses	214,801	189,469
Income taxes	42,381	41,214
Cust. deposits	742,749	608,298
Amts. rel. to LHA/DD contracts	53,221	177,421
Curr. Liabilities	$ 1,659,780	$ 1,478,620
Long-term liabilities	123,706	180,786
Capital lease commitments	126,993	129,536
Conv. subord. deben.	12,797	61,036
Deferred income	41,154	34,224
Deferred inc. taxes	132,989	39,329
+ Preferred stock:		
Series A	333	498
Series B	11,145	13,674
+ + Preference stock	2,427	2,852
+ + + Common stock	36,923	38,793
Add. paid-in capital	496,186	488,814
Retained earnings	619,858	409,696
Treasury stock	—	(23,560)
Total Liabilities & Shareholders' Equity	$ 3,264,291	$ 2,854,298

* Raw materials stated at lower of cost (FIFO) or market. Work in process and finished goods stated at average cost.
# Less accumulated depreciation.
+ $5 par value, cumulative convertible.
+ + $2.50 par value, convertible, participating.
+ + + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.61	8.05
%Net Income to Sales	6.85	4.62
%Net Income to Equity	24.92	20.29
Working Capital	$ 801,841,000	$ 601,982,000
Current Ratio	1.48	1.41
Shareholders' Equity	$1,166,872,000	$ 930,767,000

Lockheed Aircraft Corporation

2555 North Hollywood Way
Burbank, California 91520
(213) 847-6121

P.O. Box 551
Burbank, California 91520

Officers: Roy A. Anderson, chairman of the board & chief executive officer; Lawrence O. Kitchen, president & chief operating officer; senior vice presidents: William R. Wilson-strategic planning; John E. Cavanagh-general counsel; Robert H. Wertheim-science & engineering; Richard W. Taylor-strategic planning; Vincent N. Marafino-finance; Jack J. Catton-business development; vice presidents: Joseph G. Twomey, v.p. & chief counsel; Thomas J. O'Hara-contracts & pricing; F.A. Cleveland-engineering, Robert F. Conley-international marketing; Richard K. Cook-Washington, D.C. area, H. David Crowther-corp. communications; James Everington-industrial relations; Robert R. McKirahan, v.p. & treasurer; Robert H. Northcutt, Jr., v.p. & controller; James J. Ryan, v.p., secretary & asst. general counsel; Sam F. Pearce, asst. secretary & asst. chief counsel; A. Gene Otsea, asst. treasurer.

Directors: Roy A. Anderson*, Michael Berberian, Edward W. Carter, Gilbert R. Ellis, Joseph R. Rensch, Joseph P. Downer*, Houston I. Flournoy*, Robert A. Fuhrman, Vincent N. Marafino, Lawrence O. Kitchen*, Leslie N. Shaw*, Fred M. Vinson, Jr., John T. Gurash*, Jack K. Horton*, John E. Swearingen.

*Member of Executive Committee.

Areas of Work: The company is engaged in the manufacture of military and commercial aircraft; space and missile programs, aircraft servicing; data recording and analysis systems; electronic marine equipment; aircraft training aids; tactical and airborne radar, spacecraft and commercial recorders; gunfire controls; checkout and test equipment; fuel oil computer registers; computer memory systems and components; computer services; deep submergence vehicles; information systems; shipbuilding and repair; energy management systems; environmental monitoring and clean-up.

Divisions and Subsidiaries:

Lockheed Aircraft Service Company
Ontario, California 91761
(714) 988-2411

Lockheed-California Company
Burbank, California 91520
(213) 847-6121

Lockheed-Georgia Company
Marietta, Georgia 30063
(404) 424-9411

Lockheed Electronics Company, Inc.
Plainfield, New Jersey 07061
(201) 757-1600

Lockheed Missiles & Space Company, Inc.
Sunnyvale, California 94086
(408) 742-4321

Lockheed Air Terminal, Inc.
Burbank, California 91505
(213) 847-6121

Lockheed Shipbuilding and Construction Company
Seattle, Washington 98134
(206) 292-5656

Murdock Machine and Engineering Company of Texas
Irving, Texas 75060
(214) 255-0511

Lockheed Finance Corporation
Burbank, California 91520

Lockheed Aircraft International A.G.
Riyadh, Saudi Arabia

Transfer Agent(s):

United California Bank
P.O. Box 3667
Terminal Annex
Los Angeles, California 90051

Stock Exchange(s): New York

Ticker Symbol: LK

Number of Employees:

1980	74,600	1977	55,100
1979	66,500	1976	55,100
1978	61,500		

Sales and Earnings

	Net Sales + (000's)	Net Income† (000's)
1980	$ 5,396,000	$ 28,000
1979	4,058,000	57,000
1978*	3,485,000	64,900
1977	3,347,800	55,400
1976	3,188,000	38,700

	No. of Com. Shares	Earn. per Share‡†
1980	11,943,555	$1.53
1979	11,765,291	3.56
1978	11,598,853	4.21
1977	11,402,190	3.71
1976	11,358,610	3.10

* 53 weeks.
+ Of continuing operations only.
† Including extraordinary gain of $20,000,000 ($1.40 per share) in 1979.
‡ Based on weighted average number of shares of common stock outstanding and common stock issuable.

Revenues By Line of Business
(000's)

	1980	1979
Aircraft & related services:		
Tri Star	$ 951,000	$ 526,000
All other	1,797,000	1,221,000
Aerospace support	447,000	512,000
Missiles, space, & electronics	2,080,000	1,667,000
Shipbuilding	121,000	132,000
Total	$ 5,396,000	$ 4,058,000

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 306,000,000	$25.62
1979	283,000,000	24.05
1978	231,000,000	19.92
1977	170,000,000	14.91
1976	119,000,000	10.48

Income Account *
(000's)

Year ended	12/28/80	12/30/79
Net sales	$ 5,395,700	$ 4,057,600
Cost of sales & exp.	5,252,200	3,935,000
Other expense (income)	100	(6,600)
Interest expense	106,100	72,100
Income before taxes	$ 37,300	$ 57,100
Income taxes	9,700	20,600
Net Income	$ 27,600	$ 36,500
Extraord. gain	—	20,000
Net Income & extraord. gain	$ 27,600	$ 56,500

* Included in Costs and Expenses, Depreciation and Amortization: $58,100,000 in 1980 and $43,500,000 in 1979.

Assets
(000's)

As of	12/28/80	12/30/79
Cash	$ 44,200	$ 70,500
Accts. receiv., net	518,500	435,000
Deferred tax charges	32,800	27,500
*Inventories	1,031,600	798,500
Prepaid expenses	55,500	71,500
Current Assets	$ 1,682,600	$ 1,403,000
Investments	42,200	25,500
#Fixed assets	426,600	332,400
Other assets	291,100	352,000
Total Assets	$ 2,442,500	$ 2,112,900

Liabilities
(000's)

Accts. payable	$ 434,600	$ 331,900
Customer advances	157,600	200,200
Retirement plan contrib.	66,600	104,400
Income taxes	29,800	35,000
Accrued payroll	187,000	160,900
Other liabilities	349,800	265,200
Curr. Liabilities	$ 1,225,400	$ 1,097,600
Long-term debt	814,700	627,300
Deferred inc. taxes	52,700	54,900
+Redeemable preferred stock	43,500	50,600
+Common stock	11,900	11,800
Add. paid-in capital	91,900	90,400
Retained earnings (Deficit)	202,400	180,300
Total Liabilities & Shareholders' Equity	$ 2,442,500	$ 2,112,900

* At lower of cost or estimated realizable value.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.69	1.41
%Net Income to Sales	0.51	0.90
%Net Income to Equity	9.02	10.96
Sales to Inventories	5.23	5.08
Working Capital	$ 457,200,000	$ 305,400,000
Current Ratio	1.37	1.28
Shareholders' Equity	$ 306,000,000	$ 283,000,000

LogEtronics Inc.

7001 Loisdale Road
Springfield, Virginia 22150
(703) 971-1400

Officers: Gordon O.F. Johnson, chairman of the board; William K. Marrinan, president; Martin F. Moser, Charles N. Keating, Jr., Ira R. Kohlman, Gerald A. Nathe, v.p.'s; Richard Vogel, gen. mgr.-European Operations; William M. Mohler, controller & asst. secretary; Stephen B. Clarkson, secretary.

Directors: Gordon O.F. Johnson, Ronald S. Johnson, E. Perkins McGuire, James F. Morgan, Martin M. Rosen, W. Hardie Shepard, William K. Marrinan, P. Bjarne Jensen.

Areas of Work: Engaged in the development and manufacture of high quality graphic arts cameras and automatic film processors; also produces cathode-ray tube printers serving the medical radiography and aerial photography markets.

LogEtronics Inc.

Subsidiaries:

LogE/Robertson, Inc.
1250 West Touhy Avenue
Elk Grove Village, Illinois 60007

LogEtronics AG
Forrlibuckstrasse 110
8005 Zurich, Switzerland

LogEtronics GmbH
Frankfurterstrasse 16-40
D-6236 Eschborn, West Germany

LogEtec AG
Forrlibuckstrasse 110
8005 Zurich, Switzerland

Luth International A/S of 1979 (50% owned).
Merkurvej 2
4200 Slagelse, Denmark

Transfer Agent(s):

United Virginia Bank
900 East Main Street
Richmond, Virginia 23219

Stock Exchange(s): Over-the-Counter

Ticker Symbol: LOGE (NASDAQ)

Number of Employees:

1980	355	1977	328
1979	406	1976	320
1978	368		

Sales and Earnings

	Net Sales	Net Income +
1980	$ 30,376,000	$ 1,428,000
1979	28,060,000	1,239,000
1978	21,483,000	1,277,000
1977	15,339,000	716,000
1976	13,543,000	391,000

	No. of Com. Shares	Earn. per Share ‡ +
1980	1,083,652	$1.32
1979	1,077,000	1.17
1978	1,048,438	1.26
1977	999,600	0.72
1976	999,600	0.39

‡ Based on the weighted average number of common shares outstanding.
+ Including extraordinary credit of $110,000 ($0.11 per share) in 1978.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.20	—	—
1979	0.20	—	—
1978	0.20	—	—
1977	0.20	—	—
1976	0.12	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 12,691,000	$11.71
1979	11,418,000	10.60
1978	10,141,000	9.67
1977	8,490,000	8.49
1976	7,974,000	7.98

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 30,376	$ 28,060
Other income	210	319
Total income	$ 30,586	$ 28,379
Cost of sales	21,197	18,949
Expenses	6,898	7,035
Translation losses	25	28
Income before taxes	$ 2,466	$ 2,367
Income taxes	1,198	1,117
Loss on sale of prod. line	184	—
Eq. in inc. of unconsol. co.	(344)	11
Net Income	$ 1,428	$ 1,239

* Included in Costs and Expenses, Depreciation and Amortization: $258,000 in 1980 and $248,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash & cash equivalents	$ 1,050	$ 541
Notes receivable	430	—
Accts. receiv., net	7,357	6,848
Future inc. tax benefit	326	437
*Inventories	7,685	7,485
Other assets	139	147
Current Assets	$ 16,987	$ 15,458
# Fixed assets	1,447	1,607
Other assets	1,649	1,304
Total Assets	$ 20,083	$ 18,369

Liabilities
(000's)

	1980	1979
Notes payable	$ 304	$ 66
Accts. payable	2,856	2,482
Accruals	1,960	2,086
Dividends payable	217	215
Income taxes	235	390
Deferred revenue	73	127
Curr. Liabilities	$ 5,645	$ 5,366
Lease oblig.	816	845
Deferred inc. taxes	931	740
+ Common stock	203	203
Add. paid-in capital	4,790	4,767
Retained earnings	8,510	7,299
Treasury stock	(812)	(851)
Total Liabilities & Shareholders' Equity	$ 20,083	$ 18,369

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.16⅔ par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	8.12	8.44
%Net Income to Sales	4.70	4.42
%Net Income to Equity	11.25	10.85
Sales to Inventories	3.95	3.75
Working Capital	$ 11,342,000	$ 10,092,000
Current Ratio	3.01	2.88
Shareholders' Equity	$ 12,691,000	$ 11,418,000

Logicon, Inc.

Wells Fargo Bank Building, Suite 440
21535 Hawthorne Boulevard
Torrance, California 90503
(213) 540-9200

Officers: John R. Woodhull, president & chief executive officer; Robert G. Walden, sr. v.p. & chief financial officer; James D. Hogan, senior vice president; E. James Tibbs, Donald L. Farr, Frank T. Cummings, Hugh E. Beatty, Richard J. McGrath, James P. Brown, vice presidents; Ralph L. Webster, v.p. & controller; John K. Brigden, secretary.

Directors: John R. Woodhull, James D. Hogan, John K. Brigden, W. Edgar Jessup, Jr., Robert S. Dickerman, John R. Johnson, Roland R. Speers.

Areas of Work: Provides high technology products and services to industry and government, including commercial products, process control, defense and training systems.

Divisions:

Strategic and Information Systems Division
255 West Fifth Street
San Pedro, California 90731
(213) 831-0611

Tactical and Training Systems Division
3911 Sorrento Valley Boulevard
San Diego, California 92121
(714) 455-1330

Process Systems Division
10398 Democracy Lane
Fairfax, Virginia 22030
(703) 591-2450

Logicon-Intercomp Division
24225 Garnier Street
Torrance, California 90505
(213) 325-6060

Operating Systems, Inc.
21301 Ventura Boulevard
Woodland Hills, California 91364
(2139 887-4950

Transfer Agent(s):

First Interstate Bank of California
707 Wilshire Boulevard
Los Angeles, California 90017

Stock Exchange(s): American

Ticker Symbol: LGN

Number of Employees:

1980	975	1977	760
1979	1,000	1976	897
1978	882		

Plant Footage:

1980	250,000 sq. ft.	1977	179,002
1979	240,000	1976	168,413
1978	265,000		

Sales and Earnings

	Net Sales	Net Income
1981	$ 56,004,000	$ 1,795,000
1980	48,878,000	1,955,000
1979	43,600,000	1,462,000
1978	33,335,000	836,000
1977	28,472,000	1,301,000

	No. of Com. Shares	Earn. per Share +
1981	974,000	$1.84
1980	908,000	2.12
1979	898,000	1.60
1978	888,000	0.92
1977	864,000	1.50

+ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 13,911,000	$14.28
1980	11,671,000	12.85
1979	9,652,000	10.75
1978	8,117,000	9.14
1977	7,166,000	8.29

Income Account *

Year ended March 31	1981	1980
Services & products	$ 56,004,000	$ 48,878,000
Interest	376,000	409,000
Total Income	$ 56,380,000	$ 49,287,000
Cost of services & products	46,623,000	39,658,000
Expenses	5,499,000	5,234,000
Loss attrib. to Nortech	624,000	541,000
Interest expense	32,000	1,000
Income before taxes	$ 3,602,000	$ 3,853,000
Income taxes	1,807,000	1,898,000

Net Income	$ 1,795,000	$ 1,955,000

* Included in Costs and Expenses, Depreciation and Amortization: $712,000 in 1981 and $570,000 in 1980.

Assets

As of March 31	1981	1980
Cash	$ 806,000	$ 834,000
Short-term invest.	1,300,000	3,914,000
Accts. receiv., net	16,774,000	13,732,000
* Inventories	2,395,000	850,000
Prepaid expenses	392,000	351,000
Current Assets	$ 21,667,000	$ 19,681,000
# Fixed assets	1,825,000	1,028,000
Excess of purchase pr	287,000	—
Other assets	650,000	1,302,000
Total Assets	$ 24,429,000	$ 22,011,000

Liabilities

Accts. payable	$ 2,144,000	$ 1,107,000
Accruals	5,809,000	4,406,000
Income taxes	1,933,000	4,697,000
Curr. Liabilities	$ 9,886,000	$ 10,210,000
Deferred compensation	632,000	130,000
+ Common stock	97,000	91,000
Add. paid-in capital	2,821,000	1,829,000
Retained earnings	11,356,000	9,751,000
Unearned compensation	(363,000)	—
Total Liabilities & Shareholders' Equity	$ 24,429,000	$ 22,011,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Services & Products	6.43	7.88
%Net Income to Sales & Products	3.21	4.00
%Net Income to Equity	12.90	16.75
Working Capital	$ 11,781,000	$ 9,471,000
Current Ratio	2.19	1.93
Shareholders' Equity	$ 13,911,000	$ 11,671,000

Loral Corporation

600 Third Avenue
New York, New York 10016
(212) 697-1105

Officers: Bernard L. Schwartz, chairman & chief executive officer; Frank C. Lanza, executive v.p.; Michael P. DeBlasio, sr. v.p.-finance; James A Heaney, v.p.-communications; J. Daniel Proctor, v.p.; Edward N. Wilson, vice president & secretary; Harold Penn, treasurer; Robert LaPenta, v.p. & controller; Stephen L. Jackson, v.p.-admin.

Directors: Bernard L. Schwartz*, chairman; Homer Chapin, Robert B. Hodes*, Gershon Kekst*, E. Donald Shapiro, Allen Shinn, Malvin Ruderman, Frank C. Lanza.

*Members of Executive Committee

Areas of Work: Designs, develops, and manufactures defense electronic systems including electronic countermeasures, surveillance and reconnaissance. Also manufactures communications systems, UHF and VHF transceivers and teletypewriters. Fabricates precision optical and navigation equipment from beryllium for satellite, missile and aircraft applications. Designs, molds and decorates plastic packaging for consumer products.

Divisions and Subsidiaries:

Loral Electronic Systems
825 Bronx River Avenue
Bronx, New York 10472
(212) 378-2300

999 Central Park Avenue
Yonkers, New York 10704
(914) 968-2500

325 Central Park Avenue
White Plains, New York 10606
(914) 682-9797

6765 Peachtree Industrial Blvd.
Atlanta, Georgia 30360
(404) 448-1604

Develops and manufactures sophisticated avionics systems used on military aircraft for electronic warfare, antisubmarine warfare, navigation and data display.

Loral Metal Technology, Inc.
P.O. Box 117
Telrvast, Florida 33578
(813) 355-5105

Precision machining of beryllium materials into components and subsystems for aerospace vehicles and support equipment.

Loral Packaging Corporation
520 South Avenue
Garwood, New Jersey 07027
(201) 789-0900

1700 So. Hillman Ave.
Ontario, California 91761
(714) 983-0556

Manufactures bottles, vials and jars for the pharmaceutical, cosmetic and food industries.

Loral Data Systems
9020 Balboa Avenue
San Diego, California 92123
(714) 279-0411

Supplies telemetry equipment for military applications.

Sales and Earnings

	Net Sales +	Net Income
1980	$153,306,000	$ 12,434,000
1979	130,827,000	10,341,000
1978	120,264,000	8,743,000
1977	96,982,000	7,067,000
1976	67,658,000	4,867,000

	No. of Com. Shares ‡	Earn. per Share ×
1980	8,259,000	$1.84
1979	6,158,000	1.65
1978	5,952,000	1.42
1977	5,836,000	1.18
1976	5,622,000	0.84

+ Of continuing operations.
‡ Adjusted to reflect stock split.
× Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1980	1979
Electronic warfare	$ 115,322	$ 101,485
Electronic communications	21,142	16,324
Aerospace & nuclear comp.	5,640	3,959
Plastic packaging	11,202	9,059
Total	$ 153,306	$ 130,827

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.525	—	2-for-1
1979	0.425	—	—
1978	0.325	—	—
1977	0.15	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$108,701,000	$13.16
1979	42,788,000	6.95
1978	33,053,000	5.55
1977	25,677,000	4.40
1976	18,793,000	3.34

‡ Adjusted to reflect stock split.

Income Account *

Year ended March 31	1980	1979
Net sales	$153,306,000	$130,827,000
Cost of sales & expenses	131,902,000	111,484,000
Interest expense (income)	(1,714,000)	300,000
Other income	(333,000)	(237,000)
Income before taxes	$ 23,451,000	$ 19,080,000
Income taxes	11,017,000	8,739,000
Net Income	$ 12,434,000	$ 10,341,000

* Included in Costs and Expenses, Depreciation and Amortization: $3,134,000 in 1980 and $2,866,000 in 1979.

Assets

As of March 31	1980	1979
Cash	$ 74,658,000	$ 33,722,000
Accts. receiv.	29,399,000	18,410,000
* Inventories	44,813,000	30,780,000
Prepaid expenses	1,426,000	761,000
Current Assets	$150,296,000	$ 83,673,000
# Fixed assets	19,032,000	14,305,000
Intangibles	5,845,000	6,293,000
Total Assets	$175,173,000	$104,271,000

Liabilities

Advances	$ 12,824,000	$ 15,392,000
Accts. payable & accruals	22,792,000	16,582,000
Income taxes	9,832,000	6,178,000
Curr. Liabilities	$ 45,448,000	$ 38,152,000
Long term debt	20,841,000	22,567,000
Deferred inc. taxes	183,000	764,000
+Common stock	2,065,000	770,000
Add. paid-in capital	67,902,000	12,162,000
Retained earnings	38,734,000	29,856,000
Total Liabilities & Shareholders' Equity	$175,173,000	$104,271,000

* Actual cost not in excess of realizable value.
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	15.30	14.58
%Net Income to Sales	8.11	7.90
%Net Income to Equity	11.44	24.17
Sales to Inventories	3.42	4.25
Working Capital	$104,848,000	$ 45,521,000
Current Ratio	3.31	2.19
Shareholders' Equity	$108,701,000	$ 42,788,000

The LTV Corporation

LTV Tower
P.O. Box 225003
Dallas, Texas 75265
(214) 742-9555

Officers: Paul Thayer, chairman of the board & chief exec. officer; Raymond A. Hay, president & chief operating officer;

The LTV Corporation

James J. Paulos, sr. v.p. & chief financial officer; Julian Scheer, sr. v.p.-corporate affairs; G. Emmett Smith, sr. v.p. & general counsel; Thomas C. Graham, Kenneth J. Griggy, Lee A. Drake, Robert L. Kirk, R.C. Reider, group v.p.'s; James H. Bockhaus, v.p.-corp. planning; Bernard L. Brown, v.p. & treasurer; James F. Powers, v.p. & controller; John W. Johnson, v.p.-public relations & advertising; Walter E. Meyer, sr. v.p.-personnel; B.F. Oram, R.C. Rieder, W.J. Amoss, Jr., v.p.'s; John K. Meagher, v.p.-gov't. relations; Fred C. Ash, secretary.

Directors: Paul Thayer*, chairman; Raymond A. Hay*, Harold R. Lilley*, Chester H. Ferguson*, Russell DeYoung*, Charles P. Lykes, Joseph T. Lykes, Jr.*, Howard W. McCall, Jr., James M. Roche, John Elmore, Thomas C. Graham, Edward C. Joullian, III.

*Member of Executive Committee.

Areas of Work: A multi-industry operating company engaged in five basic industries: steel, energy products and services, aerospace, meat and food products, and ocean shipping. It conducts its operations through Jones & Laughlin Steel Corporation and Youngstown Sheet and Tube Company, Continental Emsco Company, Vought Corporations and Kentron International, Inc. and Lykes Bros. Steamship Co., Inc.

Subsidiaries:

Vought Corporation
(formerly LTV Aerospace Corporation)
P.O. Box 5907
Dallas, Texas 75222
(214) 742-9555

Primarily engaged in the design, development and production of military aircraft, commercial aircraft components, missiles, space launch vehicles and other aerospace products, and in furnishing related administrative and technical support services. Also engaged in the research, design, and development of surface transportation systems.

Jones & Laughlin Steel Corporaton
3 Gateway Center
Pittsburgh, Pennsylvania 15263
(412) 565-3240

Fully integrated steel producer offering diversified line of carbon steel products which includes hot and cold rolled sheet, tin mill and other flat rolled coated products, hot rolled and cold finished bars, tubular products, light plated and structural structural shapes and rod and wire products. Youngstown Sheet & Tube Company operations complement those of Jones & Laughlin.

Kentron International, Inc.

Design, engineering, installation, maintenance and operation of communications systems, missile and satellite tracking systems, telemetry systems, data processing and optical instrumentation. Also offers complete base facilities support, test range and test center management, automatic data processing services and logistics engineering and support, including technical publications, training and documentation services.

Continental-Emsco Company

Product line includes a complete range of drilling equipment such as derricks, drawworks, mud pumps, swivels, blocks, rotary machines and other complementary equipment for land-based and offshore rigs, surface and subsurface production equipment and slurry pumping equipment. Also, one of the world's largest manufacturers of marine transfer systems used to load and unload huge volumes of petroleum products to and from the smallest tankers or the largest supertankers.

Lykes Corporation
300 Poydras Street
New Orleans, Louisiana 70130
(504) 523-6611

Engaged in the steel and ocean shipping industries.

Acquisition(s):

Skagit Corporation
Sedro-Woolley, Washington

Manufactures anchor winches, mooring equipment, and pedestal cranes for offshore drilling.

United Meter Company
Andrews, Texas

Produces vapor recovery units.

Wilson Oil Rig Manufacturing Company
Wichita Falls, Texas

Produces wheel-mounted mobile workover and service rigs used in oil and gas wells.

Transfer Agent(s):

Mercantile National Bank at Dallas
P.O. Box 225415
Dallas, Texas 75265

Stock Exchange(s): New York, Pacific

Ticker Symbol: LTV

Number of Employees:

1979	68,000	1976	56,800
1978	71,000	1975	60,400
1977	52,800		

Sales and Earnings

	Net Sales (000's)	Net Income + (000's)
1980	$ 8,010,000	$ 127,900
1979	7,996,800	173,500
1978	5,260,500	39,600
1977	4,703,300	(53,200)
1976	4,448,300	17,200

	No. of Com. Shares	Earn. per Share + ‡
1980	35,792,803	$3.95
1979	24,644,543	6.03
1978	23,757,459	2.33
1977	13,310,806	—
1976	12,224,223	1.22

(Loss)

+ Including extraordinary gains of $7,100,000 ($0.26 per share) in 1979 and $20,674,000 ($1.43 per share) in 1977.

‡ Based on the average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Steel	$ 3,800,200	$ 4,174,700
Energy prods. & serv.	1,218,000	801,200
Aerospace	652,000	554,800
Meat & food prods.	2,267,000	2,338,800
Ocean shipping	412,800	334,100
Interseg. eliminations	(340,000)	(206,800)
Total	$ 8,010,000	$ 7,996,800

Income Account
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 8,009,958	$ 7,996,809
Cost of sales	7,277,216	7,230,599
Expenses	388,848	351,996
Depreciation & Amortization	128,830	132,441
Interest & debt discount.	151,305	160,639
Interest & other income	(55,947)	(36,180)
Gains from debt. cancel.	(31,187)	(13,890)
Income before taxes	$ 150,893	$ 171,204
Income taxes	23,000	24,600
Income from cont. oper.	$ 127,893	$ 146,604
Income from discont. oper.	—	5,500
Net Income	$ 127,893	$ 152,104
Extraord. gain	—	7,100
Cum. effect of acct. change	—	14,323
Net Income & extraord. gain	$ 127,893	$ 173,527

Assets
(000's)

As of Dec. 31	1980	1979
Cash & temp. invest.	$ 78,230	$ 90,481
Receivables-net	853,955	807,947
* Inventories	1,047,105	983,451
Prepaid assets	50,413	52,344
Current Assets	$ 2,029,703	$ 1,934,223
Investments & other assets	258,667	208,031
# Fixed assets	1,741,299	1,702,945
Total Assets	$ 4,029,669	$ 3,845,199

Liabilities
(000's)

Notes payable	$ 50,630	$ 75,500
Long-term debt & cap. lease oblig.,curr.	21,708	20,131
Accts. payable	536,621	499,130
Accrued liabilities	618,018	537,898
Curr. Liabilities	$ 1,226,977	$ 1,132,659
Long-term debt	1,418,996	1,476,644
Cap. lease oblig.	70,157	74,564
Emp. comp. & benefits	363,053	372,468
Deferred inc. taxes	27,252	8,324
Other liab.	83,520	62,774
+ Series A preferred stock-mandatory redemp.	20,768	20,768
+ + Series B preferred stock	—	4,438
+ + + Series 1 preference stock	1,000	513
+ + + + Class AA special stock	352	432
+ + + + + Common stock	17,896	12,322
Add. paid-in capital	501,038	498,300
Retained earnings	318,398	200,731
Exc. of redemp. value over par-Series A pref.	(19,738)	(19,738)
Total Liabilities & Shareholders' Equity	$ 4,029,669	$ 3,845,199

* At cost (LIFO) or at lower of cost (FIFO) or market.

# Less accumulated depreciation.

+ $5 par value; $5 cumulative.

+ + $1 par value; $2.60 dividend.

+ + + $0.50 par value; dividends equal 110% of cash dividends declared.

+ + + + $0.50 par value; 3% cumulative.

+ + + + + $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.88	—
%Net Income to Sales	1.60	—
%Net Income to Equity	15.62	21.82
Sales to Inventories	7.65	8.13
Working Capital	$802,726,000	$801,564,000
Current Ratio	1.65	1.71
Shareholders' Equity	$818,946,000	$696,998,000

Lundy Electronics & Systems, Inc.

Glen Head, New York 11545
(516) 671-9000

Officers: William N. Stout, president and chief executive officer; David Seltzer, exec. v.p. and treasurer; Samuel W. Adams, v.p.-sales and marketing; J.E. Duquette, v.p -operations; James E. Henning, v.p. and gen. mgr.-Lundy Technical Center; Rose Clayton, secretary.

Directors: David Seltzer, Russell B. Clarke, William N. Stout.

Areas of Work: Engaged in the development of defense systems such as electronic countermeasures and penetration aids for both aircraft and missiles. Produces computer peripheral banking systems, computer graphics display equipment, Optical Character Recognition (OCR) page and document readers, and MICR (Magnetic Ink Character Recognition) data entry systems.

Divisions:

Defense Systems Division
Lundy Technical Center
3901 N.E. 12th Avenue
Pompano Beach, Florida 33064
(305) 943-1500

Lundy-Farrington Division
Computer Peripheral Division
5535 Wilkinson Boulevard
Charlotte, North Carolina 28208
(704) 394-1161

Subsidiaries:

Lundy-Farrington Ltd.
18 Ordnance Row
Portsmouth, New Hampshire
PO 13DN, England

Transfer Agent(s):

Citibank, N.A.
111 Wall Street
New York, New York 10015

Stock Exchange(s): American

Ticker Symbol: LDY

Number of Employees:

1980	500	1978	611
1979	N/A*		

* Not Available

Plant Footage:

1980	121,000 sq.ft.	1978	121,000
1979	121,000		

Sales and Earnings

	Net Sales †	Net Income #
1980	$ 20,710,156	$ 2,566,106
1979	24,476,981	641,384
1978	15,147,370	272,899
1977	17,404,298	214,265
1976	22,257,550	556,409

	No. of Com. Shares ‡	Earn per Share ‡ #
1980	872,296	$2.94
1979	866,077	0.74
1978	866,077	0.32
1977	866,077	0.25
1976	866,077	0.64

† Of continuing operations only; includes revenues.
‡ Based on average number of shares outstanding.
# Including extraordinary gains of $101,000 ($0.12 per share) in 1979, $73,500 ($0.09 per share) in 1977, and $246,786 ($0.28 per share) in 1976.

Revenues By Line of Business

	1980	1979
Countermeasures & and other defense products	$ 3,126,693	$ 5,206,569
Data entry products	17,583,463	19,270,412
Total	$ 20,710,156	$ 24,476,981

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 6,142,650	$7.04
1979	3,576,544	4.13
1978	2,935,160	3.39
1977	2,662,261	3.07
1976	2,447,996	2.83

‡ Based on average number of shares outstanding.

Income Account *

Year ended June 30	1980	1979
Net sales & revenues	$ 20,710,156	$ 24,476,981
Cost of sales	15,464,890	18,918,033
Expenses	3,440,998	3,242,223
Oper. profit	$ 1,804,268	$ 2,316,725
Other income	(738,756)	(223,783)
Interest expense	1,400,216	1,593,624
Non-recurring gains	(1,608,298)	—
Income before taxes	$ 2,751,106	$ 946,884
Income taxes	185,000	406,500
Net Income	$ 2,566,106	$ 540,384
Extraord. gain	—	101,000
Net Income & extraord. gain	$ 2,566,106	$ 641,384

* Included in Costs and Expenses, Depreciation and Amortization: $562,070 in 1980 and $583,434 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 727,852	$ 696,530
Marktable securities	30,000	—
Accts. receiv., net	4,661,763	3,179,998
Inventories	5,868,768	6,976,814
Prepaid expenses	33,361	55,500
Escrow deposit	100,000	—
Current Assets	$ 11,421,744	$ 10,908,842
Escrow deposit	900,000	—
Rental equip.	2,936,103	1,659,640
# Fixed assets	4,408,297	4,559,086
Other assets	265,130	183,288
Total Assets	$ 19,931,274	$ 17,310,856

Liabilities

	1980	1979
Notes payable	$ —	$ 123,088
Long-term debt,curr.	1,665,253	3,398,682
Accts. payable	1,456,387	1,502,102
Accruals	1,605,945	1,847,007
Curr. Liabilities	$ 4,727,585	$ 6,870,879
Long-term debt	8,678,469	6,694,433
Deferred income taxes	212,600	169,000
Other liabilities	169,970	—
+ Common stock	86,608	86,608
Add. paid-in capital	2,770,104	2,770,104
Retained earnings	3,285,938	719,832
Total Liabilities & Shareholders' Equity	$ 19,931,274	$ 17,310,856

# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales & Revenues	13.28	3.87
%Net Income to Sales & Revenues	12.39	2.21
%Net Income to Equity	41.78	15.11
Working Capital	$ 6,694,159	$ 4,037,963
Current Ratio	2.42	1.59
Shareholders' Equity	$ 6,142,650	$ 3,576,544

Lynch Communication Systems, Inc.

204 Edison Way
Reno, Nevada 89520
(702) 786-4020

Officers: E.F. Dertinger, chairman of the board & chief executive officer; J.H. Vogt, president; J.B. Sanders, v.p., secretary & treasurer; Sherman B. Weiner, v.p.-engineering; R.S. Boreri, v.p.; C.L. Stanco, asst. secretary; A.D. Stukes, asst. treasurer.

Directors: E.F. Dertinger*, Stuart M. Beringer, T.G. Edwards, J.H. Vogt, James B. Surpless*, Paul B. Wineman, W.C.Schweizer*, A.D. Little, Hubert L. Kertz.

*Member of Executive Committee.

Areas of Work: Designs and manufactures telephone, telegraph and telemetering carrier communication systems, related equipment, and accessories.

Subsidiaries:

Lynch Communication Systems Inc. (Nevada)
204 Edison Way
Reno, Nevada 89520
(702) 786-4020

Transcom Electronics, Inc.
1170 East Main Road
Portsmouth, Rhode Island 02871
(401) 683-3000

Transcom Electronics Manufacturing, Ltd.
239 Belanger Street
St. Jerme, Quebec, Canada J7Y 1K7
(514) 438-1060

Lynch Communication Systems International Inc.
204 Edison Way
Reno, Nevada 89520

Lynch Circuits Inc.
1140 West Evelyn Avenue
Sunnyvale, California 94086
(415) 965-1375

Tailyn Communications Company, Ltd.
(40% equity interest)
Manufactures, markets and installs electronic telecommunication equipment.

Transfer Agent(s):

Industrial National Bank of Rhode Island
Stock Transfer Department
P.O. Box 366
Providence, Rhode Island 02901

Stock Exchange(s): New York

Ticker Symbol: LYC

Sales and Earnings

	Net Sales	Net Income
1980	$ 39,499,000	$ (2,581,000)
1979	50,369,000	2,779,000
1978	33,692,000	2,071,000
1977	25,099,061	1,560,946
1976	23,477,714	1,455,451

	No. of Com. Shares	Earn. per Share ‡
1980	1,910,332	$ —
1979	1,885,390	1.45
1978	1,866,816	1.10
1977	1,816,197	0.85
1976	1,816,057	0.80

(Loss)
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.25	—	—
1979	0.40	—	—
1978	0.40	—	—
1977	0.325	—	—
1976	0.225	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 14,529,513	$7.64
1979	17,264,716	8.99
1978	15,100,062	7.99
1977	13,391,757	7.28
1976	12,420,352	6.79

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 39,498,899	$ 50,368,732
Cost of sales	35,365,951	37,269,166
Expenses	7,225,699	7,801,537
Interest expense	2,139,683	744,271
Other income	(255,150)	(390,632)

Income (loss) before taxes	$ (4,977,284)	$ 4,944,390
Income taxes (credit)	(2,395,796)	2,165,473
Net Income (Loss)	$ (2,581,488)	$ 2,778,917

* Included in Costs and Expenses, Depreciation: $1,078,525 in 1980 and $751,207 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 306,096	$ 1,958,664
Accts. receiv., net	7,631,141	10,406,633
*Inventories	18,800,905	13,250,602
Prepaid expenses	238,825	353,964
Deferred inc. taxes	3,806,524	357,121
Current Assets	$ 30,783,491	$ 26,326,984
#Fixed assets	10,444,916	9,600,492
Other assets	1,406,007	1,054,038
Total Assets	$ 42,634,444	$ 36,981,514
Liabilities		
Long-term debt, curr.	$ 178,385	$ 2,057,949
Accts. payable	1,960,025	3,203,450
Accrued compensation	629,378	1,471,211
Accrued pension contributions	485,725	425,056
Income taxes	—	1,017,183
Accrued interest	518,129	281,261
Other accrued expenses	605,396	427,937
Curr. Liabilities	$ 4,377,038	$ 8,884,047
Long-term debt	22,494,596	10,024,385
Special retirement plans	138,830	168,068
Deferred inc. taxes	1,094,467	640,298
+Common stock	2,165,746	2,146,574
Add. paid-in capital	3,999,114	3,738,663
Retained earnings	10,814,167	13,882,602
Treasury stock	(2,449,514)	(2,503,123)
Total Liabilities & Shareholders' Equity	$ 42,634,444	$ 36,981,514

* At lower of average cost or market.
# Less accumulated depreciation.
+ $1 per value.

Statistical Summary

%Income bef. Taxes to Sales	—	9.82
%Net Income to Sales	—	5.52
%Net Income to Equity	—	16.10
Sales to Inventories	2.10	3.80
Working Capital	$ 26,406,453	$ 17,442,937
Current Ratio	7.03	2.96
Shareholders' Equity	$ 14,529,513	$ 17,264,716

Lynch Corporation

15300 Fullerton Avenue
Detroit, Michigan 48227
(313) 838-5780

Officers: John B. Morris, chairman & president; Charles M. McLaughlin, v.p., secretary & general counsel; Don L. Shepherd, v.p.; Thomas L. Denton, treasurer & controller.

Directors: Robert F. Bell, Charles E. Ehinger*, Edward McSweeney, John B. Morris*, Thomas R. Rudel, Richard P. Sprigle*, Paul P. Woolard, John J. Rooney, John F. Staubach.

*Member of Executive Committee.

Areas of Work: The company makes glass and packaging machinery as well as products for the automotive, aircraft and aerospace industries.

Divisions and Subsidiaries:

Lynch Machinery Division
2300 Crystal Street
Anderson, Indiana 46011
(317) 643-6671
Glass forming machinery and packaging machinery.

Cox Instrument Division
15300 Fullerton Avenue
Detroit, Michigan 48227
(313) 838-5730
Flowmeters, flowmeter calibrators and associated electronic components for system and control applications; automotive aerospace and industrial test equipment, microbiological filtration equipment.

M-tron Industries, Inc (April 15, 1976)
100 Douglas Street
Yankton, South Dakota 57078
Manufactures quartz crystal products for frequency determination, mainly for citizen band radios.

Transfer Agent(s):

Bradford Trust Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: LGL

Number of Employees:

1980	458	1978	432
1979	455		

Plant Footage:

1979	276,000 sq. ft.	1978	276,000

Sales and Earnings

	Net Sales	Net Income #
1980	$ 19,241,000	$ 2,429,218
1979	17,456,125	2,820,754
1978	15,375,485	2,318,117
1977	14,679,444	(1,978,458)
1976	18,604,357	2,735,985

	No. of Com. Shares	Earn. per Share ‡#
1980	1,309,435	$1.87
1979	1,292,985	2.19
1978	1,287,985	1.80
1977	1,287,985	—
1976	1,287,985	2.12

(Loss)
# Including extraordinary gains of $350,000 ($0.27 per share) in 1980, $1,250,000 ($0.97 per share) in 1979, $1,100,000 ($0.85 per share) in 1978 and $1,360,000 ($1.05 per share) in 1976.
‡ Based on the average number of shares outstanding.

Revenues By Line of Business

Glass-forming & packaging machinery & parts	$ 7,745,000	$ 6,615,000
Meas. instr., test stands & filtration prods.	6,115,000	6,131,000
Quartz crystal prods.	5,381,000	4,710,000
Total	$ 19,241,000	$ 17,456,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 11,879,727	$9.07
1979	9,494,015	7.34
1978	6,663,601	5.17
1977	4,345,484	3.37
1976	6,323,942	4.91

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 19,241,000	$ 17,456,125
Cost of sales	11,596,522	10,533,556
Expenses	4,254,061	4,206,013
Interest expense	129,236	297,952
Other income	(608,037)	(402,150)
Income bef. Taxes	$ 3,869,218	$ 2,820,754
Income taxes	1,790,000	1,250,000
Net Income	$ 2,079,218	$ 1,570,754
Extraord. gain	350,000	1,250,000
Net Income & extraord. gain	$ 2,429,218	$ 2,820,754

* Included in Costs and Expenses, Depreciation: $411,094 in 1980 and $324,526 in 1979.

Assets

As of Dec. 31	1980	1979
Cash & short-term investments	$ 5,869,320	$ 3,278,354
Accts. receiv., net	3,145,638	3,368,321
*Inventories	4,418,324	4,211,882
Prepaid expenses & sundry	283,064	238,507
Deferred inc. taxes	230,000	240,000
Current Assets	$ 13,946,346	$ 11,337,064
# Fixed assets	3,149,486	2,157,427
Total Assets	$ 17,095,832	$ 13,494,491
Liabilities		
Long-term debt, curr.	$ 9,360	$ 8,859
Accts. payable	417,702	748,268
Accruals	1,479,069	1,224,992
Dividends payable	130,944	—
Advances	467,669	422,686
Cap. lease oblig., curr.	231,675	209,598
Income taxes	1,224,645	120,000
Curr. Liabilities	$ 3,961,064	$ 2,734,403
Long-term debt	53,052	62,409
Cap. lease oblig.	851,989	1,083,664
Deferred inc. taxes	350,000	120,000
+Common stock	2,673,068	2,585,630
Add. paid-in capital	6,968,795	6,968,795
Retained earnings (deficit)	2,237,864	(60,410)
Total Liabilities & Shareholders' Equity	$ 17,095,832	$ 13,494,491

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	20.11	16.16
%Net Income to Sales	10.81	9.00
%Net Income to Equity	17.50	16.54
Sales to Inventories	4.35	4.14
Working Capital	$ 9,985,282	$ 8,602,661
Current Ratio	3.52	4.15
Shareholders' Equity	$ 11,879,727	$ 9,494,015

M/A-COM, Inc.

(formerly Microwave Associates, Inc.)

South Avenue
Burlington, Massachusetts 01803
(617) 272-9464

Officers: Lawrence Gould, chairman of the board and chief executive officer; Dana W. Atchley, Jr., vice chairman; Richard T. DiBona, executive v.p. & chief operating officer; Hugh E. Bradshaw, v.p., secretary & corp. counsel; Joseph C. Bothwell, Jr., v.p.-corp. development; Thomas F. Burke, vice president-finance & treasurer; Paul F. Brauneis, comptroller; George W. McPhee, asst. treasurer; Irving J. Helman, clerk.

Directors: Dana W. Atchley, Jr., Vessarios Chigas, Robert P. Reuss, Lawrence Gould, Irving J. Helman, Nelson S. Gifford, George Ingram, Jr., Richard M. Walker, Richard T. DiBona, S. Sidney Kahn, Robert E. LaBlanc, William F. Pounds, John G. Puente.

M/A-COM, Inc.

Areas of Work: Manufactures microwave components parts, subassemblies and all solid-state microwave relay equipment for radar, electronic countermeasures and telecommunication markets, and engages in related research and development. Digital satellite equipment and products for fiber optics transmission systems.

Subsidiaries:

Microwave Associates, Inc.
South Avenue
Burlington, Massachusetts 01803
(617) 272-3000

Microwave Associates Communications Company
63 Third Avenue
Burlington, Massachusetts 01803
(617) 272-3100

Digital Communications Corporation
11717 Exploration Lane
Germantown, Maryland 20767

Digital satellite equipment and products for fiber optics transmission systems.

Data Microwave Inc.
Burlinton, Massachusetts 01803
(617) 272-3000

Microwave Associates, Inc.
59 Emory Street
Sanford, Maine 04073

Microwave Associates Electronics Canada, Ltd.
3135 Universal Drive
Mississauga, Ontario L4X2E7
Canada

Microwave Computer, Inc.
Burlington, Massachusetts 01803
(617) 272-3000

Microwave Associates Inc.
Lawrence Laboratory
8926 Comanche Avenue
Chatsworth, California 91311

Microwave Associates, Inc.
Land Mobile Communications Company
1362 Borregas Avenue
Sunnyvale, California 94088

Omni Spectra, Inc.
Microwave Connector Division
140 Fourth Avenue
Waltham, Massachusetts 02154

Manufactures microwave products used principally in end products produced by manufacturers of microwave systems and equipment.

Omni Spectra, Inc.
Microwave Components Division
21 Continental Blvd.
Merrimack, New Hampshire 03054

Omni Spectra, Inc.
2626 South Hardy Drive
Tempe, Arizona 85282

Omni Spectra, Ltd.
One Loverock Road
Battle Farm Estate
Reading, Berkshire RG3 1DQ, England

Microwave Associates Limited (MAL)
Dunstable, Bedfordshire
England LU54SX

Prodelin, Inc.
P.O. Box 131, Prodelin Way
Highstown, New Jersey 08520

Designs, develops and manufactures antennas and transmission line products for microwave point-to-point and satellite communications systems.

Prodelin, Inc.
1350 Duane Avenue
Santa Clara, California 95050

Digital Telecommunications, Ltd.
1305 Matheson Boulevard
Mississauga, Ontario L4W 1R1, Canada

Digital Communications Corporation, Ltd.
Dunstable LU5 4SX
Bedfordshire, England

LINKABIT Corporation
3033 Science Park Road
San Diego, California 92121

Designs, develops and manufactures sophisticated digital electronics equipment and subsystems for use in satellite and terrestrial communications systems.

LINKABIT Corporation
10453 Roselle Street
San Diego, California 92121

Comm/Scope
Rte. 1, Box 199A
1848 State Road
Catawba, North Carolina 28609
Valtec Communications Fiberoptics
99 Hartwell Street
West Boylston, Massachusetts 01583

Laser Diode Laboratories
1130 Somerset Street
New Brunswick, New Jersey 08901
Valtec Fiberoptics Division
99 Hartwell Street
West Boylston, Massachusetts 01583

Leading supplier of coaxial cable for CATV; manufacturer of laser diodes, optical products and fiber optic cables, as well as a developer of fiber optics communications systems for commercial telecommunications.

Valtec Optical Group
211 Second Avenue
Waltham, Massachusetts 02154

Valtec Optical Group
869 West 17th Street
Costa Mesa, California 92627

Transfer Agent(s):

Continental Stock Transfer and Trust Company
19 Rector Street
New York, New York 10006

Stock Exchange(s): New York, Boston

Ticker Symbol: MAI

Number of Employees:

1980	6,274	1977	4,011
1979	5,359	1976	3,368
1978	4,730		

Plant Footage:

1980	1,470,000 sq.ft.	1977	980,000
1979	1,190,000	1976	901,000
1978	1,045,000		

Sales and Earnings ‡

	Net Sales	Net Income
1980	$322,480,000	$ 24,905,000
1979	227,083,000	13,173,000
1978	173,994,000	9,548,000
1977	132,072,000	6,144,000
1976	105,398,000	4,337,000

	No. of Com. Shares †	Earn. per Share +
1980	32,730,000	$0.77
1979	29,570,000	0.46
1978	27,745,000	0.34
1977	26,729,000	0.23
1976	25,689,000	0.18

‡ Restated to include operations of companies acquired on a pooling of interests basis.
† Adjusted to reflect stock splits and stock dividend.
+ Based on the weighted average number of shares outstanding adjusted to reflect stock splits and stock dividend.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.10	—	3-for-2&2-for-1‡
1979	0.08	100%	—
1978	0.06	—	3-for-2
1977	0.05	—	—

+ Adjusted to reflect stock splits and stock dividend.
‡ Declared Oct., 1980.

Common Stock Equity ‡

	Total Equity	Equity Per Share †
1980	$140,552,000	$4.29
1979	85,537,000	2.89

‡ Restated to include operations of companies acquired on a pooling of interests basis.
† Adjusted to reflect stock splits and stock dividend.

Income Account *
(000's)

Year ended		9/27/80		9/29/79 ‡
Net sales	$	322,480	$	227,083
Cost of sales		219,334		158,287
Expenses		57,690		44,066
Interest income		(1,625)		(196)
Interest expense		3,326		2,671
Income before taxes	$	43,755	$	22,255
Inome taxes		18,850		9,082
Net Income	$	24,905	$	13,173

* Included in Costs and Expenses, Depreciation and Amortization: $6,499,000 in 1980 and $4,975,000 in 1979.
‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets
(000's)

As of		9/27/80		9/29/79 ‡
Cash	$	3,036,000	$	1,526,000
Marketable securities		4,174,000		2,752,000
Accts. receiv., net		71,677		49,335
Unbilled costs under cust. cont.		10,055		4,316
*Inventories		62,395		46,658
Other curr. assets		6,414		1,964
Current Assets	$	157,751	$	106,551
#Fixed assets		79,184		51,137
Other assets		7,184		2,063
Total Assets	$	244,119	$	159,751

Liabilities
(000's)

Notes payable	$	14,248	$	6,834
Long-term debt, curr.		1,368		1,605
Accts. payable		24,753		15,436
Accruals		11,839		9,322
Accrued payroll		13,017		7,347
Income taxes		12,655		5,657
Deferred inc. taxes		3,254		2,617
Curr. Liabilities	$	81,134	$	48,818
Long-term debt		17,747		22,595
Deferred inc. taxes		1,671		1,027
Other long-term liabilities		3,015		1,774
+Common stock		32,730		29,570
Add. paid-in capital		30,602		528
Retained earnings		77,220		55,439
Total Liabilities & Shareholders' Equity	$	244,119	$	159,751

‡ Restated to include operations of companies acquired on a pooling of interests basis.
* At lower of cost (FIFO and LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.57	9.80

%Net Income to Sales	7.72	5.80
%Net Income to Equity	17.72	15.40
Sales to Inventories	5.17	4.87
Working Capital	$ 76,617,000	$ 57,733,000
Current Ratio	1.94	2.18
Shareholders' Equity	$140,552,000	$ 85,537,000

Magna International Inc.

355 Wildcat Road
Downsview, Ontario, M3J 2S3
Canada
(416) 661-1485

Officers: Frank Stronach, chairman of the board & chief exec. officer; Burton V. Pabst, vice chairman of the board; Helmut Hofmann, president & chief operating officer; Anton Czapka, senior vice president; Robert M. Jones, vice president-sales & marketing (automotive); Murray G. Kingsburgh, vice president-finance & secretary; James N. Renner, vice president-engineering; D. Robin Sloan, vice president.

Directors: Anton Czapka, Paul B. Helliwell, Helmut Hofmann, Murray G. Kingsburgh, J. Alex Langford, Edward E. Parent, David J. Moxon, Burton V. Pabst, William S. Storey, Frank Stronach, George R. Gardiner, D. Robin Sloan.

Areas of Work: Manufacturer of parts for the North American automotive industry and of sophisticated components and products for the aerospace and defense industries. Also fabricates steel for industrial and commercial structures.

Subsidiaries:

Motor Specialties Mfrs. (Ontario) Ltd.
Multimatic Investments Ltd.
Unimade Industries, Ltd.
Vernomatic Ltd.

Hermes Electronics Ltd.
Dartmouth, Nova Scotia
Manufacturer of sensing devices used by the oil and gas and defense industries.

Divisions:

Automotive Division
Comprised of the trim, stamping, pulley, electromechanical device and international manufacturing groups.

Industrial Division
Comprised of the aerospace and defense group. Hermes Electronics, and the structural steel group.

Transfer Agent(s):

The Canada Trust Company
Toronto, Canada

Stock Exchange(s): Toronto

Ticker Symbol: MG

Number of Employees:

1979 ...... 2,500 1978 2,000

Sales and Earnings

	Net Sales +	Net Income‡
1980	$183,456,000	$ 3,718,000
1979	165,738,000	8,727,000
1978	128,189,000	7,390,000
1977	80,953,000	4,093,000
1976	55,010,000	2,786,000

	No. of Com Shares#	Earn. per Share †‡
1980	5,053,090	$0.68
1979	5,053,090	1.78
1978	4,828,739	1.59

+ Of continuing operations only.
‡ Including extraordinary gains of $272,000 ($0.06 per share) in 1979 and $795,000 ($0.17 per share) in 1978 and extraordinary loss of $1,922,000 ($0.38 per share) in 1980.
# Class A Common and Class B shares combined, adjusted to reflect stock split.
† Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.36	—	—
1979	0.28	—	3-for-1
1978	0.19	—	—
1977	0.12	—	—
1976	0.06	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity +	Equity Per Share †
1980	$ 33,793,000	$6.69
1979	32,086,000	6.35
1978	23,270,000	4.82

+ After allowing for preferred stock at par value.
† Adjusted to reflect stock split.

Income Account *

Year ended July 31	1980	1979
Net sales	$183,456,000	$165,738,000
Cost of sales	159,763,000	140,621,000
Depreciation	6,154,000	4,506,000
Interest expense	6,481,000	3,998,000
Amortization	123,000	68,000
Income from cont. oper.	$ 10,935,000	$ 16,545,000
Loss from discont. oper.	1,686,000	621,000
Income before taxes	$ 9,249,000	$ 15,924,000
Income taxes	3,456,000	6,677,000
Minority interest	153,000	792,000
Net Income	$ 5,640,000	$ 8,455,000
Extraord. gain (loss)	(1,922,000)	272,000
Net Income & extraord. items	$ 3,718,000	$ 8,727,000

Assets

As of July 31	1980	1979
Cash	$ 115,000	$ 306,000
Accts. receiv., net	30,228,000	26,823,000
*Inventories	33,176,000	34,756,000
Prepaid expenses	1,638,000	1,158,000
Current Assets	$ 65,157,000	$ 63,043,000
Investment in assoc. co.	—	345,000
#Fixed assets	62,629,000	47,089,000
Other assets	4,352,000	4,606,000
Total Assets	$132,138,000	$115,083,000

Liabilities

Long-term debt, curr.	$ 4,645,000	$ 4,046,000
Bank indebtedness	13,757,000	17,173,000
Accts. payable and accruals	16,956,000	18,456,000
Income taxes payable	2,844,000	4,502,000
Curr. Liabilities	$ 38,202,000	$ 44,177,000
Long-term debt	42,591,000	26,961,000
Minority interest	3,951,000	2,733,000
Deferred income	3,239,000	3,480,000
Deferred inc. taxes	4,676,000	5,539,000
+6½% preferred stock	87,000	107,000
+ +7% preferred stock	5,600,000	—
+ + +Class A common stock	5,244,000	5,244,000
+ + +Class B common stock	2,283,000	2,303,000
Retained earnings	26,265,000	24,559,000
Total Liabilities & Shareholders' Equity	$132,138,000	$115,083,000

* At lower of cost (FIFO) or net realizable value.
# Less accumulated depreciation.
+ $100 par value.
+ + $25 par value.
+ + + No par value.

Statistical Summary

%Net Income to Equity	14.29	26.26
Sales to Inventories	5.53	4.79
Working Capital	$ 26,955,000	$ 18,866,000
Current Ratio	1.71	1.43
Shareholders' Equity	$ 39,479,000	$ 32,193,000

Magnasonic Canada Ltd.

8191 Montview Road
Ville Mont-Royal, Quebec
Canada H4P 2L6
(514) 342-0290

Officers: Ike Klein, chairman of the board; Bernard Klein, president and chief executive officer; Morris Black, v.p.-information systems; Peter Horak, v.p.-sales, Emerson; Alam Khwaja, treasurer and controller; Reuben Klein, v.p. sales and marketing, Emerson; Joseph Manel, v.p.-operations; Emil Marx., sr. v.p.-administration; Agis Pappas, v.p.-sales, Quebec region, Sanyo; David Scher, v.p.-finance and secretary; Simon Torobin, v.p.

Directors: Morton A. Cohen, Bernard Klein, Ike Klein, Reuben Klein, Emil Marx, Harvey M. Romoff, Leo Rosentzveig, Simon Torobin.

Areas of Work: Distributes "Soundesign" stereo receivers and speakers, "Emerson" home entertainment and business products and appliances, "Fisher" stereo receivers and amplifiers.

Divisions and Subsidiaries:

Torobin Advertising Ltd.
8191 Montview Road
Ville Mt. Royal, Quebec

MGS Acceptance Ltd.
8191 Montview Road
Ville Mt. Royal, Quebec

Sanyo Canada Ltd. (50% owned)
5660 Royalmount Avenue
Ville Mount Royal, Quebec

Gamasonic Canada Ltee.
5780 Royalmount Avenue
Ville Mt. Royal, Quebec

Samoto Electroniques Ltee.
8187 Montview Road
Ville Mt. Royal, Quebec

Transfer Agent(s):

Montreal Trust Company
Halifax, Montreal, Toronto, Calgary and Vancouver

Stock Exchange(s): Montreal, Toronto

Ticker Symbol: MGSM, MGST

Sales and Earnings

	Net Sales ‡	Net Income +
1980	$ 75,524,083	$ 681,919
1979	60,637,699	118,815
1978	56,907,813	670,912
1977	57,537,299	799,731
1976	52,264,049	1,732,903

	No. of Com. Shares	Earn. per Share +
1980	1,337,000	$0.51
1979	1,337,000	0.09
1978	1,337,000	0.50
1977	1,337,000	0.60
1976	1,337,000	1.30

(Loss)
‡ Includes other revenues.
+ Including extraordinary gain of $731,789 ($0.55 per share) in 1976 and extraordinary loss of $962,156 ($0.72 per share) in 1980.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 10,633,564	$7.95
1979	9,951,645	7.44
1978	9,832,830	7.30
1977	9,161,918	6.80
1976	8,362,187	6.20

Income Account *

Year ended Dec. 31	1980	1979
Net sales & other revenues	$ 72,524,083	$ 60,637,699
Cost of sales & expenses	68,548,896	56,454,278
Depreciaton & amortization	175,682	209,998
Interest expense	3,231,173	2,797,458
Eq. in earn. of invest.	130,350	206,825
Income before taxes	$ 698,682	$ 1,382,790
Income taxes	16,763	301,819
Net Income	$ 681,919	$ 1,080,971
Extraordinary loss	—	(962,156)
Net Income & extraord. loss	$ 681,919	$ 118,815

Assets

As of Dec. 31	1980	1979
Accts. receiv., net	$ 15,710,799	$ 20,800,784
* Inventories	21,685,076	28,793,056
Prepaid expenses	219,004	220,373
Current Assets	$ 37,614,879	$ 49,814,213
Investments	814,644	586,544
# Fixed assets	1,213,312	1,339,250
Intangibles	—	17,810
Note receiv.	—	275,000
Total Assets	$ 39,642,835	$ 52,032,817

Liabilities

	1980	1979
Bank indebtedness	$ 1,111,488	$ 2,458,534
Bank loans	12,174,777	21,665,600
Accts. payable & accruals	15,456,580	17,716,438
Curr. Liabilities	$ 28,742,845	$ 41,840,572
Deferred income	266,426	240,600
+ Common stock	3,784,856	3,784,856
Retained earnings	6,848,708	6,166,789
Total Liabilities & Shareholders' Equity	$ 39,642,835	$ 52,032,817

* At lower of cost (FIFO) and net realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	0.96	2.28
%Net Income to Sales	0.94	1.78
%Net Income to Equity	6.41	10.86
Working Capital	$ 8,872,034	$ 7,973,641
Current Ratio	1.31	1.19
Shareholders' Equity	$ 10,633,564	$ 9,951,645

Magnetic Controls Company

4900 West 78th Street
Minneapolis, Minnesota 55435
(612) 835-6800

Officers: T.R. Anderson, chairman of the board; Charles M. Denny, Jr., president; Ross C. Wagner, sr. v.p.-operations; Donald H. Moersch, v.p.-industrial relations; John W. Steffen, v.p.-corp. technical services; Paul R. Westgard, v.p. distribution customer service; Maynard B. Hasselquist, secretary; Frank J. Kiesner, treasurer.

Directors: Richard S. Aldrich, T.R. Anderson, Charles M. Denny, Jr., Maynard B. Hasselquist, Ralph S. Misener, Lennie L. Arnevik, Edwin W. Rawlings, Frank A. Donaldson, Warde F. Wheaton.

Areas of Work: Designs, manufacturers and sells electronic and electromechanical products under the trade name "ADC". Principal products are test and alarm systems, voice and data patching components, and transformers, filters and power supplies. Products are sold primarily to the telphone, computer, instrument, and aviatin industries.

Subsidiaries:

ADC International, Inc.
Minneapolis, Minnesota

Transfer Agent(s):

First National Bank of Minneapolis
Minneapolis, Minnesota 55402

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MGNE (NASDAQ)

Number of Employees:

1980	1,435	1977	822
1979	1,117	1976	732
1978	847		

Plant Footage:

1980	317,300 sq. ft.	1979	206,219

Sales and Earnings

	Net Sales	Net Income #
1980	$ 55,900,000	$ 3,624,000
1979	40,021,000	2,959,000
1978	25,344,000	949,000
1977	23,190,000	1,221,000
1976	18,510,000	1,185,000

	No. of Com. Shares †	Earn. per Shares #‡
1980	2,535,799	$ 1.78
1979	1,904,199	1.69
1978	1,548,249	0.59
1977	1,486,749	0.80
1976	1,338,249	0.84

# Including extraordinary gains of $292,000 ($0.19 per share) in 1977 and $603,000 ($0.43 per share) in 1976.
† Adjusted to reflect stock dividend.
‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	50%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 27,658,000	$10.91
1979	11,164,000	5.86
1978	5,332,000	3.44
1977	4,276,000	2.88
1976	2,562,000	1.91

‡ Adjusted to reflect stock dividend.

Income Account *

Year ended	1980	1979
Net sales	$ 55,900,000	$ 40,021,000
Cost of sales	34,321,000	23,296,000
Expenses	14,506,000	10,798,000
Interest expenses	1,304,000	576,000
Other expense (income)	(411,000)	14,000
Income before taxes	$ 6,180,000	$ 5,337,000
Income taxes	2,556,000	2,378,000
Net Income	$ 3,624,000	$ 2,959,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,081,000 in 1980 and$1,257,000 in 1979.

Assets

As of Oct. 31	1980	1979
Cash	$ 2,300,000	$ 893,000
Accts. receiv., net	12,326,000	6,643,000
* Inventories	9,808,000	7,002,000
Prepaid income taxes	865,000	425,000
Current Assets	$ 25,299,000	$ 14,963,000
# Fixed assets	16,075,000	8,246,000
Total Assets	$ 41,374,000	$ 23,209,000

Liabilities

	1980	1979
Long-term debt, curr.	$ 296,000	$ 279,000
Accts. payable	2,311,000	1,288,000
Accruals	3,954,000	5,232,000
Curr. Liabilities	$ 6,561,000	$ 6,799,000
Deferred inc. taxes	1,338,000	787,000
Long-term debt	5,817,000	4,459,000
+ Common stock	507,000	254,000
Add. paid-in-capital	18,861,000	6,244,000
Retained earnings	8,290,000	4,666,000
Total Liabilities & Shareholders' Equity	$ 41,374,000	$ 23,209,000

* At lower ot average cost or market.
# Less accumulated depreciation and amortization.
+ $0.20 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	11.06	13.34
%Net Income to Sales	6.48	7.39
%Net Income to Equity	13.10	26.50
Sales to Inventories	5.70	5.72
Working Capital	$ 18,738,000	$ 8,164,000
Current Ratio	3.86	2.20
Shareholders' Equity	$ 27,658,000	$ 11,164,000

Mangood Corporation

676 North St. Clair
Chicago, Illinois 60611
(312) 726-5705

Officers: Marvin B. Levine, president; John L. Westermann III, v.p.-finance & treasurer; Charles Aaron, vice president and secretary; Anthony A. Sirna III, Samuel H. Levinson, vice presidents.

Directors: Charles Aaron, Bernard E. Brandes, Helmut N. Friedlaender, Samuel Hoffmann, Marvin B. Levine, Anthony A. Sirna III, Samuel H. Levinson, Robert W. Cruickshank.

Divisions and Subsidiaries:

Streeter Amet Measurement Systems Division
155 Wicks Street
Grayslake, Illinois 60030
(312) 223-4801

Produces electronic weighing systems for commerce and industry, in motion weighers, electronic process control and measurement systems, strain gauge load cells and related tranducers, traffic counters and detectors, warning lights, emergency vehicle lights, and industrial scientific counting systems.

Mangood Limied (U.K.)
Polo Field Estates
Panteg, Pontypool
Gwent NP4 5YP
Wales, United Kingdom

Mangood Corporation

Produces electronic weighing systems for commerce and industry, in motion weighers, electronic process control and measurement systems, strain gauge load cells and related tranducers, traffic counters and detectors, and industrial and scientific counting systems.

Ametron Limited
155 Wicks Street
Grayslake, Illinois 60030
(312) 223-4801

1125 Dundas Street East
Mississauga, Ontario L4Y 2C4 Canada

Streeter Amet Measurement Systems Division
155 Wicks Street

Grayslake, Illinois 60030
(312) 223-4801

Railweight Limited
Station Road
Birch Vale, Stockport
Cheshire SK 12 5BP
United Kingdom

Transfer Agent(s):

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

The Chase Manhattan Bank, N.A.
One Chase Manhattan Plaza
New York, New York 10015

Stock Exchange(s): American

Ticker Symbol: MAB

Number of Employees:

1980	310	1978	270
1979	340		

Plant Footage:

1980	104,000 sq. ft.	1978	100,000
1979	104,000		

Sales and Earnings

	Net Sales +	Net Income†
1980	$ 19,830,000	$ 548,000
1979	14,344,000	435,000
1978	11,710,000	301,000
1977	9,228,000	(1,299,000)
1976	9,498,000	(818,000)

	No. of Com. Shares ‡	Earn. per Share ‡†
1980	354,000	$1.55
1979	305,000	1.43
1978	299,714	1.00
1977	299,714	—
1976	299,714	—

(Loss)
+ Of continuing operations only.
‡ Based on the average number of shares outstanding.
† Including extraordinary credits of $120,000 ($0.34 per share) in 1980, $115,000 ($0.38 per share) in 1979 and $62,000 ($0.20 per share) in 1978.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$ —	—	—
1979	—	—	—
1978	—	—	—
1977	—	—	—
1976	0.15	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 4,012,000	$11.33
1979	3,463,000	11.35
1978	2,474,000	8.25
1977	2,173,000	7.25
1976	3,472,000	11.58

‡ Based on the average number of shares outstanding.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 19,830,000	$ 14,344,000
Cost of sales	12,684,000	8,838,000
Expenses	6,128,000	4,699,000
Interest expense	326,000	226,000
Income before taxes	$ 692,000	$ 581,000
Income taxes	264,000	261,000
Net Income	$ 428,000	$ 320,000
Extraordinary credit	120,000	115,000
Net Income & extraord. credit	$ 548,000	$ 435,000

* Included in Costs and Expenses, Depreciation and Amortization: $238,000 in 1980 and $198,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 161,000	$ 47,000
Receiv., net	3,859,000	3,556,000
*Inventories	3,518,000	4,028,000
Prepaid expenses	151,000	162,000
Current Assets	$ 7,689,000	$ 7,793,000
#Fixed assets	1,093,000	1,092,000
Total Assets	$ 8,782,000	$ 8,885,000

Liabilities

Notes payable	$ 352,000	$ 1,322,000
Long-term debt, curr.	55,000	102,000
Accts. payable	1,655,000	2,323,000
Accruals	1,538,000	923,000
Income taxes	407,000	379,000
Curr. Liabilities	$ 4,007,000	$ 5,049,000
Long-term debt	695,000	305,000
Deferred inc. taxes	68,000	68,000
+Common stock	2,590,000	2,590,000
Retained earnings	1,506,000	958,000
Treasury stock	(84,000)	(85,000)
Total Liabilities & Shareholders' Equity	$ 8,782,000	$ 8,885,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income before taxes to Sales	3.49	4.05
%Net Income to Sales	2.16	2.23
%Net Income to Equity	10.67	9.24
Sales to Inventories	5.64	3.56
Working Capital	$ 3,682,000	$ 2,744,000
Current Ratio	1.92	1.54
Shareholders' Equity	$ 4,012,000	$ 3,463,000

Mark Products, Inc.

10502 Fallstone Road
Houston, Texas 77099
(713) 498-0600

Officers: P. Stuart Grant, chairman of the board; Wayne E. Tabor, president & chief executive officer; Richard W. Lilliott, III, v.p.-finance & secretary; Bruce A. Boyd, v.p.-operations; John H. Fuchs, v.p.; James M. Guillory, v.p.-sales; J.C. Woodall, v.p.-engineering; Klela E. Bentley, controller; Harlan A. James, Thomas A. Sommerville, group presidents.

Directors: F. William Fitzpatrick, P. Stuart Grant, Kees M. Verheul, Hugh Robertson, Eric W. Shaw, Wayne E. Tabor, Thomas E. Naugle.

Areas of Work: Designs, develops, manufactures and markets geophones, seismometers and hydrophones and related cable assemblies and specialized industrial cable. The principal market for the company's product line is the oil exploration business. Markets of lesser importance include industrial and marine cable users.

Subsidiaries:

Mark Products, Inc. (U.S.)
10507 Kinghurst Drive
Houston, Texas 77099
(713) 498-0600

Maufactures and markets geophysical data gathering equipment-geophones, seismic cable and correctors.

Mark Products, Ltd.
1108 55th Avenue N.E.
P.O. Box 73
Station M
Calgary, Alberta
Canada
(403) 275-3544

Rents and sells geophones, fabricates and sells related cable assemblies.

Custom Cable Company
10502 Fallstone Road
Houston, Texas 77099
(713) 530-0400

Maufactures seismic and specialized industrial cable and marine, power, and control type cables.

Transfer Agent(s):

First City National Bank
Houston, Texas

Stock Exchange(s): American

Ticker Symbol: MKP

Number of Employees:

1980	875	1977	375
1979	500	1976	330
1978	425		

Plant Footage:

1980	212,000 sq. ft.	1977	129,000
1979	151,000	1976	127,000
1978	151,000		

Sales and Earnings

	Net Sales ‡†	Net Income #
1980	$ 42,276,000	$ 6,134,000
1979	21,004,000	1,104,000
1978	15,841,000	1,701,000
1977	12,275,000	1,377,517
1976	8,501,000	(2,078,696)

	No. of Com. Shares	Earn. per Share # +
1980	1,979,215	$3.10
1979	1,976,630	0.69
1978	1,274,069	1.18
1977	1,245,818	1.04
1976	1,245,818	—

(Loss)
‡ Includes rental revenues.
† Of continuing operations only.
# Including extraordinary credits of $336,000 ($0.17 per share) in 1980, $84,000 ($0.06 per share) in 1978 and $402,000 ($0.30 per share) in 1977.
+ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1980	1979	1978	1977
Geophones (and hydrophones)	33%	28%	25%	26%
Seismic cable & connectors	63	67	72	70
Accessories & other	4	5	3	4
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$ —	—	—
1979	—	—	—
1978	—	—	—
1977	—	—	—
1976	0.13	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 15,248,000	$7.70
1979	8,097,000	4.10
1978	5,593,000†	4.39
1977	3,818,285†	3.06
1976	993,051	0.80

† After allowing for preferred stock at par value.

Income Account *

Year ended	12/31/80	8/31/79
Net sales & rent revs.	$ 42,276,000	$ 21,004,000
Cost of sales & rentals	26,645,000	15,801,000
Expenses	4,884,000	3,079,000
Interest expense	559,000	377,000
Income before taxes	$ 10,188,000	$ 1,747,000
Income taxes	4,390,000	643,000
Net Income	$ 5,798,000	$ 1,104,000
Extraord. gain	336,000	—
Net Income & Extraod. gain	$ 6,134,000	$ 1,104,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,916,000 in 1980 and $1,375,000 in 1979.

Assets

As of	12/31/80	8/31/79
Cash	$ 1,094,000	$ 1,317,000
Accts. receiv., net	8,350,000	5,056,000
* Inventories	10,033,000	6,248,000
Prepaid expenses	870,000	326,000
Current Assets	$ 20,347,000	$ 12,947,000
# Fixed assets	8,506,000	4,505,000
Other assets	93,000	258,000
Total Assets	$ 28,946,000	$ 17,710,000

Liabilities

Long-term debt, curr.	$ 245,000	$ 210,000
Accts. payable	2,823,000	2,319,000
Advance payments	192,000	220,000
Accruals	1,848,000	966,000
Income taxes	1,823,000	149,000
Curr. Liabilities	$ 6,931,000	$ 3,864,000
Long-term debt	5,991,000	5,082,000
Deferred inc. taxes	776,000	667,000
+ Common stock	5,122,000	5,080,000
Add. paid-in capital	377,000	377,000
Retained earnings	9,749,000	2,640,000
Total Liabilities & Shareholders' Equity	$ 28,946,000	$ 17,710,000

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	24.10	8.32
%Net Income to Sales	13.71	5.26
%Net Income to Equity	38.02	13.63
Sales to Inventories	4.21	3.36
Working Capital	$ 13,416,000	$ 9,083,000
Current Ratio	2.94	3.35
Shareholders' Equity	$ 15,248,000	$ 8,097,000

Marshall Industries

9674 Telstar Avenue
El Monte, California 91731
(213) 686-0141

Officers: Gordon S. Marshall, president and chairman of the board; Joseph S. Bergeon, v.p.-Claude Michael Products; Douglas V. Dexter, v.p.-G.S. Marshall Products; Roger E. Gabriel, v.p.-human resources; Peter B. Heric, v.p.-management information systems; William H. Welling, executive v.p., chief operating officer, and secretary; Carl R. Sittman, v.p.-facilities; James N. Smith, v.p.-operations; William J. Smith, v.p.-sales; David O. Zertuche, v.p.-finance, chief financial officer and secretary.

Directors: Gordon S. Marshall, chairman; Ralph W. James, Mason Phelps, Donald Royce, Jr., William Welling.

Areas of Work: Engaged in the distribution of electronic components, wire termination devices, production supplies, hand tools, and assembly work station equipment to the electronic industry. Also performs assembly and wire stripping operations.

Transfer Agent(s):

Security Pacific National Bank
P.O. Box 2097, Terminal Annex
Los Angeles, California 90054

Stock Exchange(s): American, Pacific

Ticker Symbol: MI

Number of Employees:

1980	590	1977	551
1979	526	1976	472
1978	554		

Plant Footage:

1980	200,000 sq. ft.	1977	200,000
1979	200,000	1976	183,000
1978	200,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 83,538,000	$ 1,815,000
1979	66,880,000	719,000
1978	59,172,000	(311,000)
1977	49,996,000	965,000
1976	39,185,000	2,119,000

	No. of Com. Shares #	Earn. per Share # ‡
1980	1,119,881	$1.62
1979	1,044,668	0.69
1978	999,213	—
1977	1,024,329	0.94
1976	1,076,610	1.97

(Loss)
‡ Including extraordinary gain of $854,000 ($0.79 per share) in 1976.
# Based on the weighted average number of common shares and common share equivalents outstanding, adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	5%	—
1979	—	5%	—
1978	—	—	—
1977	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 12,944,000	$11.56
1979	10,861,000	11.40
1978	9,913,000	9.92
1977	10,255,000	10.01
1976	9,504,000	8.83

‡ Based on the weighted average number of common shares and common share equivalents outstanding, adjusted to reflect stock dividends.

Income Account *

Year Ended May 31	1980	1979
Net sales	$ 83,538,000	$ 66,880,000
Cost of sales	60,700,000	49,104,000
Expenses	18,190,000	15,427,000
Interest expense	1,100,000	915,000
Income before taxes	$ 3,548,000	$ 1,434,000
Income taxes	1,733,000	715,000
Net Income	$ 1,815,000	$ 719,000

* Included in Costs and Expenses, Depreciation and Amortization: $183,000 in 1980 and$154,000 in 1979.

Assets

As of May 31	1980	1979
Cash	$ 67,000	$ 268,000
Receiv., net	11,306,000	10,199,000
* Inventories	19,347,000	11,692,000
Prepaid expense	130,000	130,000
Deferred tax benefit	186,000	657,000
Current Assets	$ 31,036,000	$ 22,946,000
# Fixed assets	1,543,000	1,547,000
Total Assets	$ 32,579,000	$ 24,493,000

Liabilities

Long-term debt, curr.	$ 80,000	$ 20,000
Accts. payable	8,571,000	4,783,000
Accruals	589,000	511,000
Accrued payroll	382,000	466,000
Income taxes	1,123,000	561,000
Curr. Liabilities	$ 10,745,000	$ 6,341,000
Bank line of credit	8,000,000	6,500,000
Long-term debt	374,000	378,000
† Lease hold oblig., less curr. portion	516,000	413,000
+ Common stock	1,294,000	1,116,000
Add. paid-in capital	8,854,000	7,824,000
Retained earnings	2,796,000	1,921,000
Total Liabilities & Shareholders' Equity	$ 32,579,000	$ 24,493,000

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
† Accounting for leases under FASB No. 13.
+ $1 par value.

Statistical Summary

% Income bef. Taxes to Sales	4.25	2.14
% Net Income to Sales	2.17	1.08
% Net Income to Equity	14.02	6.62
Sales to Inventories	4.32	5.72
Working Capital	$ 20,291,000	$ 16,605,000
Current Ratio	2.89	3.62
Shareholders' Equity	$ 12,944,000	$ 10,861,000

Martin Marietta Corporation

6801 Rockledge Drive
Bethesda, Maryland 20034
(301) 897-6000

Officers: J. Donald Rauth, chairman of the board & chief exec. officer; Thomas G. Pownall, president & chief operating officer; David S. LeVine, sr. v.p.-operations; Laurence J. Adams, sr. v.p.-Aerospace; Charles H. Leithauser, sr. v.p. & chief financial officer; Roy Calvin, Melvin A. McCubbin, David C. Dressler, J. Peter Dunston, Bernard W. Gamson, Caleb B. Hurtt, Bobby F. Leonard, Robert J. Whalen, Philip H. Sendel, vice presidents; James D. Simpson, vice president & general counsel; Mary Jane La Barge, secretary; Robert W. Powell, Jr., treasurer.

Directors: John J. Byrne, James L. Everett, III, Frank M. Ewing, William W. Hagerty, John L. Hanigan, Curtis E. Jones, Robert M. McKinney, Griffin B. Bell, Frank X. Bradley, Charles E. Hugel, Thomas G. Pownall, J. Donald Rauth, David C. Scott, Eugene M. Zuckert.

Areas of Work: Designs and manufactures a wide range of defense and space systems, including space launch vehicles, spacecraft, missiles and other defense systems. Martin Marietta also is a major producer of cement, aluminum, aggregates and specialty chemicals.

Martin Marietta Corporation

Divisions and Subsidiaries:

Martin Marietta Aerospace
6801 Rockledge Drive
Bethesda, Maryland 20034
(301) 897-6000

Martin Marietta Cement
6801 Rockledge Drive
Bethesda, Maryland 20034
(301) 897-6000

Martin Marietta Chemicals
6801 Rockledge Drive
Bethesda, Maryland 20034
(301) 897-6000

Martin Marietta Aggregates
6801 Rockledge Drive
Bethesda, Maryland 20034
(301) 897-6000

Martin Marietta Aluminum Inc.
6801 Rockledge Drive
Bethesda, Maryland 20034
(301) 897-6000

Orlando Central Park Inc.
Orlando, Florida
Development and operations of Central Florida industrial park.

Chesapeake Park, Inc.
Baltimore, Maryland
Owns and operates property and buildings located at Middle River, Maryland, near Baltimore.

Marietta Resources International, Ltd.
New York, New York

Martin Marietta Laboratories
Relay, Maryland

Martin Marietta Data Systems, Inc.
Bethesda, Maryland

Transfer Agent(s):

Maryland National Bank
Baltimore Light Streets
Baltimore, Maryland 21203

Morgan Guaranty Trust Company
New York, New York

Stock Exchange(s): New York, Pacific, Midwest, Philadelphia, Amsterdam

Ticker Symbol: ML

Number of Employees:

1980	34,650	1977	25,200
1979	30,200	1976	22,000
1978	28,000		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 2,619,327	$ 188,133
1979	2,060,843	178,000
1978	1,758,297	136,003
1977	1,439,761	102,110
1976	1,213,124	78,503

	No. of Com. Shares #	Earn. per Shere #
1980	24,909,775	$7.55
1979	25,067,738	7.10
1978	24,551,708	5.54
1977	23,809,714	4.29
1976	23,648,749	3.32

# Based on average number of shares outstanding.

Revenues By Line of Business

	1980	1979
Cement	$188,393,000	$197,684,000
Aggregates	185,186,000	176,922,000
Chemicals	258,424,000	243,232,000
Aluminum	668,538,000	550,030,000
Aerospace & other sales	1,318,786,000	892,975,000
Total	$2,619,327,000	$2,060,843,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.32	—	—
1979	1.98	—	—
1978	1.70	—	—
1977	1.50	—	—
1976	1.375	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$1,103,146,000	$44.22
1979	969,456,000	39.01
1978	863,917,000	33.82
1977	725,644,000	30.45
1976	657,906,000	27.69

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$2,619,327,000	$2,060,843,000
Cost of sales & expenses	2,389,102,000	1,794,405,000
Oper. profit	$230,225,000	$266,438,000
Other income	54,974,000	44,981,000
Total	$285,199,000	$311,419,000
Interest expense	6,666,000	11,919,000
Income before taxes	$278,533,000	$299,500,000
Income taxes	90,400,000	121,500,000
Net Income	$188,133,000	$178,000,000

* Included in Costs and Expenses, Depreciation, Depletion and Amortization: $112,143,000 in 1980 and $83,515,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash & marketable securities	$103,365,000	$225,136,000
Accts. & notes receiv. net	334,506,000	288,587,000
* Inventories	337,875,000	239,979,000
Prepaid expenses	23,540,000	21,479,000
Current Assets	$799,286,000	$775,181,000
Investments	53,521,000	46,545,000
# Fixed assets	1,077,847,000	841,465,000
Other assets	78,142,000	49,457,000
Intangibles	60,622,000	60,929,000
Total Assets	$2,069,418,000	$1,773,577,000

Liabilities

	1980	1979
Long-term debt, curr.	$ 3,817,000	$ 15,807,000
Accts. payable	219,455,000	162,128,000
Accrued payroll	105,867,000	98,480,000
Income taxes	123,155,000	79,365,000
Curr. Liabilities	$452,294,000	$355,780,000
Long-term debt	162,968,000	136,056,000
Other liabilities	21,176,000	8,308,000
Deferred inc. taxes	329,834,000	303,977,000
+ Common stock	27,507,000	27,507,000
Add. paid-in capital	220,886,000	219,646,000
Retained earnings	914,857,000	784,596,000
Treasury stock	(60,104,000)	(62,293,000)
Total Liabilities & Shareholders' Equity	$2,069,418,000	$1,773,577,000

* At lower of cost (LIFO & FIFO) or market.
# Less accumulated depreciation, depletion and amortization.
+ $1 par value.

Statistical Summary

%Income before Taxes to Sales	10.63	14.53
%Net Income to Sales	7.18	8.64
%Net Income to Equity	17.05	18.36
Sales to Inventories	7.75	8.59
Working Capital	$346,992,000	$419,401,000
Current Ratio	1.77	2.18
Shareholders' Equity	$1,103,146,000	$969,456,000

Materials Research Corporation

Route 303
Orangeburg, New York 10962
(914) 359-4200

Officers: Sheldon Weinig, president; L.A. Cambey, sr. v.p.; Garrett E. Pierce, v.p.-finance; Walter Class, William R. Martin, v.p.'s; Robert J. Schultz, v.p. & treasurer; Herbert Stoller, secretary.

Directors: Sheldon Weinig, Herbert Stoller, Frank Bonsal, Jr., Joseph C. Abeles, William R. Martin, L.A. Cambey, Robert J. Schultz, Edward E. David, Jr., Robert E. Davis.

Areas of Work: Supplies high purity metals and ceramics and sputtering equipment to the electronics and telecommunications industries.

Departments:

Advanced Metals Department
Refines and fabricates high purity metals and alloys into the forms required for industrial thin-film application.

Ceramic Products Department
Produces a variety of both exotic and industrial ceramic materials for the microelectronics industry.

Process Equipment Department
Designs, develops and manufactures thin film deposition equipment (sputtering equipment).

Standard Products Department
Supplies demands for R&D quantities of company products; several hundred items are carried in stock, all available for same day shipment to the customer.

Subsidiaries:

Materials Research B.V.
The Netherlands

Materials Research Co., Ltd.
United Kingdom

Materials Research GmbH
Germany

Materials Research S.A.
France

Materials Research S.R.L.
Italy

MRC Export Corporation

Transfer Agent(s):

Chemical Bank
55 Water Street
New York, New York 10041

Stock Exchange(s): American

Ticker Symbol: MTL

Number of Employees:

1980	770	1977	317
1979	650	1976	245
1978	414		

Plant Footage:

1980	211,500 sq. ft.	1977	118,000
1979	142,000	1976	118,000
1978	118,000		

Sales and Earnings

	Net Sales	Net Income
1980*	$ 71,317,000	$ 4,383,000
1979	43,216,000	2,684,000
1978	27,305,000	1,496,000
1977	19,531,097	884,446
1976	16,478,997	574,107

	No. of Com. Shares ‡	Earn. per Share ‡
1980	2,441,000	$1.80
1979	2,182,000	1.23
1978	2,158,000	0.69
1977	2,142,000	0.41
1976	2,140,000	0.27

* 53 weeks.
‡ Based on the average number of common shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split#
1980	$0.115	—	2-for-1
1979	0.10	—	3-for-2
1978	0.09	—	5-for-4
1977	0.08	—	—
1976	0.07	—	—

+ Adjusted to reflect stock splits.
# Distributed in the form of a stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 23,637,000	$9.68
1979	9,871,000	4.52
1978	7,359,000	3.41
1977	6,026,000	2.81
1976	5,290,000	2.47

+ Adjusted to reflect stock splits.

Income Account *

Year ended	11/1/80 (53 weeks)	10/27/79
Net sales	$ 71,317,000	$ 43,216,000
Other income	113,000	34,000
Total income	$ 71,430,000	$ 43,250,000
Cost of sales	49,119,000	28,813,000
Expenses	10,540,000	7,068,000
Development exp.	2,433,000	1,312,000
Interest expense	1,152,000	1,112,000
Income before taxes	$ 8,186,000	$ 4,945,000
Income taxes	3,803,000	2,261,000
Net Income	$ 4,383,000	$ 2,684,000

* Included in Costs and Expenses, Depreciation: $681,000 in 1980 and $588,000 in 1979.

Assets

As of	11/1/80	10/27/79
Cash	$ 375,000	$ 2,202,000
Receiv., net	13,498,000	11,086,000
*Inventories	13,400,000	10,269,000
Prepaid expenses	341,000	319,000
Current Assets	$ 27,614,000	$ 23,876,000
# Fixed assets	7,897,000	3,774,000
Other assets	78,000	132,000
Total Assets	$ 35,589,000	$ 27,782,000

Liabilities

Notes payable	$ 531,000	$ 1,143,000
Long-term debt, curr.	140,000	39,000
Accts. payable	2,539,000	3,253,000
Accruals	2,313,000	2,039,000
Income taxes	1,584,000	1,437,000
Deferred income taxes	34,000	38,000
Curr. Liabilities	$ 7,141,000	$ 7,949,000
Long-term debt	4,579,000	9,824,000
Deferred inc. taxes	232,000	138,000
+Common stock	2,574,000	1,104,000
Add. paid-in capital	9,477,000	1,278,000
Retained earnings	11,632,000	7,535,000
Treasury stock	(46,000)	(46,000)
Total Liabilities & Shareholders' Equity	$ 35,589,000	$ 27,782,000

* At lower of average cost or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.48	11.44
%Net Income to Sales	6.15	6.21
%Net Income to Equity	18.54	27.19
Sales to Inventories	5.32	4.21
Working Capital	$ 20,473,000	$ 15,927,000
Current Ratio	3.87	3.00
Shareholders' Equity	$ 23,637,000	$ 9,871,000

Maul Technology Corporation

111 South 15th Street
Millville, New Jersey 08332
(609) 825-1583

Officers: Clarence A. Maul, Jr., chairman of the board & chief exec. officer; Robert G. Wirthlin, president; Francis E. Green, Jr., v.p.-finance & treasurer; Howard Kahlenbeck, Jr., secretary; Joseph R. Odorisio, asst. treasurer.

Directors: Clarence A. Maul, Jr., David C. Eaton, Howard Kahlenbeck, Jr., Marvin Stern, William R. Huguenin, Francis E. Green, Jr., Chester K. Rhett, Robert G. Wirthiin.

Divisions:

Maul Bros. Division
111 South 15th Street
Millville, New Jersey 08332

Manufactures glass container production equipment, including Individual Section machines, forehearths, feeders and annealing lehrs that comprise the "hot end"of glass container manufacturing operations.

IGW/Indianapolis
30th Street and Post Road
Indianapolis, Indiana 46236

Supplier of gears, gear sub-assemblies, shafts, housings, and a wide range of precision machined parts for the aviation industry. Also engaged in the manufacturing gears, components and power transmission systems for automotive and industrial markets.

C. Rhett, Inc. Division
6437 South 144th Street
Tukwila, Washington 98768

Engaged in the design, manufacture, assembly and installation of electric glass melting, heating and control equipment for producers of glass containers, fiberglass, tableware, flatglass and specialty glass.

Glass Equipment Engineering, Inc.
101 Inks Drive
Winchester, Indiana 47394

Production parts for glass container machinery.

Transfer Agent(s):

Merchants National Bank & Trust Company
Indianapolis, Indiana

Marine Midland Bank
New York, New York

Stock Exchange(s): American

Ticker Symbol: MTY

Sales and Earnings

	Net Sales +	Net Income †
1980	$ 61,711,000	$ 2,252,000
1979	49,319,000	1,696,000
1978	41,281,000	(1,207,000)
1977	38,565,000	439,000
1976	36,981,000	2,540,000

	No. of Com. Shares	Earn. per Share † #
1980	3,067,437	$0.73
1979	3,135,628	0.54
1978	3,158,301	—
1977	3,117,301	0.14
1976	3,116,301	0.82

+ Of continuing operations only.
† Including extraordinary gain of $114,000 ($0.04 per share) in 1976.
# Based on the weighted average number of common shares outstanding.

Revenues By Line of Business

	1980	1979
Glass machinery	$ 42,615,000	$ 34,598,000
Metal components	17,903,000	13,173,000
Total	$ 60,518,000	$ 47,771,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.14	—	—
1979	0.07	—	—
1978	0.14	—	—
1977	0.07	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 20,084,826	$6.55
1979	18,572,241	5.92
1978	17,187,598	5.44
1977	18,764,775	6.02
1976	18,672,251	5.99

Income Account *

Year ended Dec. 31	1980	1979
Net sales & revenues	$ 60,518,417	$ 47,771,277
Other income	1,192,359	1,548,210
Total Income	$ 61,710,776	$ 49,319,487
Cost of sales	44,203,243	36,179,004
Expenses	7,363,004	6,304,482
Depreciation & amortization	1,481,168	1,548,181
Interest expense	1,777,112	1,519,168
Income before taxes	$ 6,886,249	$ 3,768,652
Income taxes	3,293,000	1,820,000
Income from cont. oper.	$ 3,593,249	$ 1,948,652
Loss from discont. oper.	(1,340,871)	(252,796)
Net Income	$ 2,252,378	$ 1,695,856

* Included in Costs and Expenses, Depreciation and Amortization: $1,500,010 in 1980 and $1,566,494 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 705,140	$ 914,301
Accounts receiv., net	9,496,835	10,772,743
Assets of discont. operations	1,426,007	1,254,338
* Inventories	23,695,759	21,727,668
Deferred inc. taxes	705,000	—
Other curr. assets	477,534	477,530
Current Assets	$ 36,506,275	$ 35,146,580
# Fixed assets	9,837,679	10,548,072
Other assets	1,044,357	1,034,247
Total Assets	$ 47,388,311	$ 46,728,899

Liabilities

Notes payable	$ 2,100,000	$ 1,900,000
Long-term debt, curr.	2,664,345	685,209
Accts. payable	3,602,019	5,754,053
Losses of discont. oper.	600,000	385,000
Accruals	6,275,990	6,272,058
Income taxes	2,053,516	388,131
Deferred inc. taxes	—	351,000
Curr. Liabilities	$ 17,295,870	$ 15,735,451
Long-term debt	7,527,875	10,404,683
Deferred compensation	797,822	935,606
Deferred inc. taxes	1,681,918	1,080,918
+ Common stock	3,158,301	3,158,301
Add. paid-in capital	6,644,417	6,644,417
Retained earnings	10,675,287	8,856,878
Treasury stock	(393,179)	(87,355)
Total Liabilities & Shareholders' Equity	$ 47,388,311	$ 46,728,899

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Net Income to Equity	11.21	9.13
Working Capital	$ 19,210,405	$ 19,411,129
Current Ratio	2.11	2.23
Shareholders' Equity	$ 20,084,826	$ 18,572,241

J. Ray McDermott & Co., Inc.

1010 Common Street
New Orleans, Louisiana 70112
(504) 587-4411

Officers: J.E. Cunningham, chairman of the board and chief executive officer; R.K. Richie, president and chief operating officer-McDermott; W.M. Vannoy, president and chief operating officer-Babcock & Wilcox; H.W. Bailey, executive v.p. and chief administrative officer; R.C Bassett, v.p.-materials and transportation; P. Breitmeyer, II, v.p.-corporate planning and development; J.D. Dupy, v.p.-public affairs; R.E. Woolbert, v.p.-employee relations; J.A. Lynott, executive v.p. and chief financial officer; C.F. Kraus, v.p.-tax administration; E.A. Roubidoux, v.p. and controller; R.A. Jolliff, treasurer; K.J. Gilly, v.p., general counsel, and corporate secretary.

Directors: H.W. Bailey, G.W. Douglas Carver, J.E. Cunningham, C.L. Graves, James A. Hunt, John A. Morgan, R.K. Richie, John D. Ritchie, William T. Seawell, Walter B. Shaw, John B. Tweedy, Walter O. Spencer, Walter M. Vannoy, Russell L. Wagner, John A. Lynott.

Areas of Work: Marine construction services primarily involve construction of specialized offshore platforms and marine pipelines used for development drilling, production and transportation of oil and gas. Onshore construction services primarily involve construction of land based oil, gas, chemical, petrochemical and mineral processing plants and manufacture of air-cooled heat exchangers. Steam generating equipment includes individually engineered complete fossil fuel boilers, nuclear steam systems, nuclear fuel and nuclear fuel assemblies, and associated equipment for electric utility and marine applications as well as fossil fuel boilers for industrial processes and power generation. Also manufactures automated machines and tools, and pollution control equipment. Tubular products include stainless, alloy and carbon steel, seamless and welded tubes and pipe, tubular and solid shapes, extrusions, special metal tubes, welding fittings and flanges, and seamless rolled rings.

Divisions and Subsidiaries:

Harvey Division Group
  Dredging
  Harvey Fabrication
  Inland Services
  McDermott Divers
  Marine Pipeline
  Harvey, Louisiana

Morgan City Division Groups
  McDermott Shipyard Group
  Morgan City & New Iberia, Louisiana

Nuclear Power Generation
Lynchburg, Virginia

Automated Machine
Rockford, Illinois
Bloomfield Hills & Rochester, Michigan
Hendersonville & Greer, South Carolina

Bailey Controls Company
Dayton Beach, Florida
Wickliffe, Ohio
Williamsport, Pennsylvania

Control Components International
Irvine, California
Diamond Power Specialty Corporation
Lancaster, Ohio
Burlington, Ontario, Canada

Naval Nuclear Fuel Division
Lynchburg, Virginia

Contract Research Division
Alliance, Ohio

Research and Development Division
Alliance,Ohio
Lynchburg, Virginia

Advance Composites Department
Alliance, Ohio

McDermott Structural Group
  McDermott Fabricators
  Bayou Black & Morgan City, Louisiana
  McDermott Offshore
  Morgan City, Louisiana

Equipment & Materials Group
New Orleans, Louisiana

Harvey Supply Company
Harvey, Morgan City & New Orleans, Louisiana
Hudson Engineering Corporation
Houston, Texas

Hudson Products Corporation
Beasley & Houston, Texas

Engineering Services
New Orleans, Louisiana
Houston, Texas
London, England
Singapore
Babcock & Wilcox Canada Ltd.
Cambridge, Ontario, Canada

B & W Construction Company
Copley, Ohio

Fossil Power Generation
Brunswick, Georgia
West Point, Mississippi
Barberton & Canton,Ohio
Paris, Texas

TLT-Babcock
Akron & Medina, Ohio

Industrial and Marine
Wilmington, North Carolina
North Canton, Ohio

Nuclear Equipment
Barberton, Ohio

Nuclear Materials and Manufacturing
Mt. Vernon, Indiana
Apollo & Parks Township, Pennsylvania
Lynchburg, Virginia

Materials Group

Refractories
Augusta & Hephzibah, Georgia
Burlington, Ontario, Canada

  Tubular Products
  Elkhart, Indiana
  Alliance, Ohio
  Ambridge, Pennsylvania
  Beaver Falls, Pennsylvania
  Bryan, Texas
  Milwaukee, Wisconsin

Transfer Agent(s):

First City National Bank of Houston
P.O. Box 809
Houston, Texas 77002

Morgan Guaranty Trust Company
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: MDE

Number of Employees:

1980	58,000	1978	58,730
1979	61,000	1977	19,364

Sales and Earnings

	Revenues (000's)	Net Income ‡ (000's)
1980	$ 3,282,510	$ 88,366
1979	3,144,564	92,957
1978	1,293,711	159,092
1977	1,223,841	191,642
1976	1,102,078	160,184

	No. of Com. Shares #	Earn. per Share ‡#
1980	32,745,544	$1.77
1979	32,366,019	1.94
1978	31,670,923	5.02
1977	31,342,492	6.11
1976	31,247,192	5.13

‡ Including extraordinary gains of $132,000 in 1977 and $4,910,000 ($0.16 per share) in 1976.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$1.25	—	—
1979	1.00	—	—
1978	0.90	—	2-for-1
1977	0.575	—	—
1976	0.425	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$1,016,659,000	$27.90
1979	872,155,000	27.09
1978	836,592,000	26.15
1977	695,442,000	22.12

Income Account *
(000's)

Year ended March 31	1980	1979
Revenues	$ 3,282,510	$ 3,144,564
Cost of sales	2,803,872	2,600,274
Expenses	261,184	250,875
Depreciation & amortization	111,803	111,365
Interest expense	48,633	52,223
Other income	(96,451)	(71,600)
Income before taxes	$ 153,469	$ 201,427
Income taxes	65,103	108,470
Net Income	$ 88,366	$ 92,957

Assets
(000's)

As of March 31	1980	1979
Cash	$ 38,280	$ 19,752
Temp. investments	485,867	621,112
Marketable securities	13,788	9,231
Accts. & notes receiv., net	725,066	604,059

Contracts in progress	361,125	280,420
* Inventories	422,349	392,093
Prepaid expenses	14,889	10,083
Current Assets	$ 2,061,364	$ 1,936,750
Long-term note receivable	29,669	—
Investments	17,830	12,398
# Fixed assets	1,025,841	920,744
Other assets	58,691	51,646
Intangibles	357,253	379,404
Total Assets	$ 3,550,648	$ 3,300,942

Liabilities
(000's)

Notes payable & long-term debt, curr.	$ 29,840	$ 20,425
Accts. payable	191,167	186,718
Accruals	357,318	345,864
Advance billings	313,116	262,518
Warranty exp.	106,903	106,934
Dividends payable	18,923	15,623
Income taxes	161,087	126,839
Curr. Liabilities	$ 1,178,354	$ 1,064,921
Long-term debt	471,853	492,647
Deferred income	382,502	381,523
Other liabilities	106,812	95,189
+ Redeem. pref. stock	394,468	394,507
+ Common stock	36,768	32,523
Add. paid-in capital	254,521	133,038
Retained earnings	732,565	714,883
Treasury stock	(2,871)	(2,871)
Unamort. def. stock plan exp.	(4,324)	(5,418)
Total Liabilities & Shareholders' Equity	$ 3,550,648	$ 3,300,942

* At lower of cost (average & LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

% Income bef. Taxes to Revenues	4.68	6.41
% Net Income to Revenues	2.69	2.96
% Net Income to Equity	8.69	10.66
Working Capital	$883,010,000	$871,829,000
Current Ratio	1.75	1.82
Shareholders' Equity	$1,016,659,000	$872,155,000

McDonnell Douglas Corporation

P.O. Box 516
St. Louis, Missouri 63166
(314) 232-0232

Officers: Sanford N. McDonnell, chairman of the board & chief executive officer; John F. McDonnell, president; Donald P. Ames, staff v.p.-McDonnell Douglas Research Labs.; Leo I. Mirowitz, staff v.p.-corporate diversification; William E. Schowengerdt, staff v.p.-auditing; Charles A. Gaskill, staff v.p.-properties & facilities; Arthur W. Hyland, staff v.p.-accounting; Howard C. Todt, staff v.p.-quality assurance; R. Joseph Alagna, staff v.p.-material; Albert J. Redway, Jr., v.p.-Eastern Region; Albert H. Smith, v.p.-contracts & controller; Robert C. Little, v.p.-operations & marketing; Gordon M. Graham, v.p.-Washington, D.C.; Rowland G. Freeman III, staff v.p.-headquarters exec.; Robert L. Johnson, corp. v.p. & group exec.; Ernie H. Ridenhour, staff v.p.-information resource management; John E. Crosthwait, v.p.-Far East; Harold D. Altis, v.p.-engineering & research; Warren E. Kraemer, v.p.-Europe; Richard J. Davis, v.p.-external relations; James S. McDonnell III, v.p.-marketing; James H. MacDonald, v.p.-personnel; Jerry G. Brown, v.p. & treasurer; Michael Witunski, staff v.p.; Walter E. Diggs, Jr., secretary; John T. Sant, v.p.-general counsel; John W. Walbran, assist. general counsel; Stanley J. Sheinbein, asst. treasurer; F. Mark Kuhlmann, asst. secretary; Harry I. Sieferman, tax officer.

Directors: Sanford N. McDonnell*, chairman of the board; John C. Brizendine, George H. Capps, William H. Danforth, Robert L. Johnson, Donald S. Macdonald, John T. Sant, James T. McMillan, Donald W. Douglas, Jr., George S. Graff*, Edwin S. Jones, Robert C. Little, John F. McDonnell*, William R. Orthwein, Jr.*, James S. McDonnell, III, Michael N. Chetkovich.

*Member of Executive Committee.

Areas of Work: Energy systems; military and commercial aircraft, space vehicles and missiles; electronic systems; data processing services.

Divisions and Subsidiaries:

McDonnell Aircraft Company (Division)
Box 516
St. Louis, Missouri 63166
(314) 232-0232

Douglas Aircraft Company (Division)
3855 Lakewood Boulevard
Long Beach, California 90846
(213) 593-5511

McDonnell Douglas Astronautics Company (Division)
5301 Bolsa Avenue
Huntington Beach, California 92647
(714) 896-3311

McDonnell Douglas Automation Company (Division)
Box 516
St. Louis, Missouri 63166
(314) 232-8021

McDonnell Douglas Electronics Company (Division)
2600 North Third Street
St. Charles, Missouri 63301
(314) 925-4000

McDonnell Douglas-Tulsa (Division)
2000 North Memorial Drive
Tulsa, Oklahoma 74115
(918) 836-1616

MDC Realty Company (Subsidiary)
3855 Lakewood Boulevard
Long Beach, California 90846
(213) 593-5941

McDonnell Douglas Canada Ltd. (Subsidiary)
Malton, Ontario, Canada L5P 1B7
(416) 677-4341

McDonnell Douglas Japan Ltd. (Subsidiary)
Shin Toyo Akasaka Building
9-27 Akaska, 4-Chome
Minato-ku
Tokyo 107, Japan

McDonnell Douglas Finance Corporation (Subsidiary)
3855 Lakewood
Long Beach, California 90846
(213) 593-1722

Vitek Systems Inc. (Subsidiary)
595 Anglum Drive
Hazelwood, Missouri 63042
(314) 232-8444

McDonnell Douglas International Sales Corp. (Subsidiary)
Box 516
St. Louis, Missouri 63166
(314) 232-0232

Microdata Corp.
17481 Red Hill Avenue
Irvine, California
(714) 540-6730

Transfer Agent(s):

Shareholder Records Department
McDonnell Douglas Corporation
St. Louis, Missouri

St. Louis Union Trust Company
510 Locust Street
St. Louis, Missouri 63101

The Chase Manhattan Bank
One Chase Manhattan Plaza
New York, New York 10015

Stock Exchange(s): New York, Pacific, Brussels, Amsterdam.

* Listed and/or traded.

Ticker Symbol: MD

Number of Employees:

1980	82,550	1977	61,577
1979	82,736	1976	57,867
1978	70,547		

Plant Footage:

1980	26,766,914 sq.ft.	1977	25,200,000
1979	26,766,914	1976	24,778,424
1978	25,600,000		

Sales and Earnings

	Revenues	Net Income
1980	$6,198,000,000	$ 144,600,000
1979	5,425,841,847	199,103,025
1978	4,258,051,687	161,106,272
1977	3,605,018,544	122,958,128
1976	3,583,775,170	108,855,242

	No. of Com. Shares	Earn. per Share ‡
1980	38,300,000	$3.65
1979	37,505,067	5.06
1978	37,224,081	4.14
1977	37,011,096	3.20
1976	36,745,515	2.85

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Commercial aircraft	$ 2,219,500	$ 1,932,100
Military aircraft	2,693,600	2,337,000
Spacecraft & missiles	830,200	789,700
Automation, electronics & optics	323,000	219,700
Total Sales	$ 6,066,300	$ 5,278,500

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.90	—	—
1979	0.75	—	—
1978	0.60	—	—
1977	0.50	—	—
1976	0.44	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1980	$ 1,512,500	$39.50
1979	1,378,207	36.75
1978	1,199,783	32.23
1977	1,055,781	28.53
1976	945,350	25.73

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 6,066,300	$ 5,278,531
Other income	131,700	147,311
Revenues	$ 6,198,000	$ 5,425,842
Cost of sales	5,240,900	4,435,374
Expenses	787,700	669,189
Interest & debt. exp.	11,700	10,775
Income before taxes	$ 157,700	$ 310,505
Income taxes	13,100	111,402
Net Income	$ 144,600	$ 199,103

* Included in Costs and Expenses, Depreciation and Amortization: $99,600,000 in 1980 and $77,047,813 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash & time deposits	$ 11,400	$ 292,877
Short-term investments	—	34,269
Receiv., net	482,300	395,948
Inventories & contracts	2,415,700	1,846,971
Prepaid expenses	10,400	10,737
Current Assets	$ 2,919,800	$ 2,580,802
#Fixed assets	623,900	449,295
Other assets	315,500	304,887
Defer. charges	40,600	45,620
Total Assets	$ 3,899,800	$ 3,380,604

Liabilities
(000's)

Notes payable	$ 241,300	$ —
Long-term debt	7,800	7,123
Accts. payable	597,600	516,872
Accruals	114,300	104,266
Employee compensation	181,600	151,454
Progress payments receiv.	169,400	142,290
Income taxes	597,800	616,060
Est. contract adjust.	401,600	377,591
Curr. Liabilities	$ 2,311,400	$ 1,915,656
Long-term debt	75,900	86,742
+Common stock	39,300	38,724
Add. paid-in capital	346,700	325,779
Retained earnings	1,141,100	1,030,883
Treasury stock	(14,600)	(17,180)
Total Liabilities & Shareholders' Equity	$ 3,899,800	$, $3,380,604

# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	2.54	5.72
%Net Income to Revenues	2.33	3.67
%Net Income to Equity	9.56	14.45
Working Capital	$ 608,400,000	$ 665,146,924
Current Ratio	1.26	1.35
Shareholders' Equity	$1,512,500,000	$1,378,206,925

McGraw-Edison Company

One Continental Towers
1701 Golf Road
Rolling Meadows, Illinois 60008
(312) 981-3800

Officers: Edward J. Williams, chairman, president and chief executive officer; W. Glenn Gordon, exec. v.p.-Commercial and Industrial Groups; William S. Kingsolver, exec. v.p.-Power Systems and Service Groups; Richard W. Vieser, exec. v.p.-Automotive and Process Equipment Groups; Thomas L. Bindley, treasurer; James H. Ditkoff, v.p.-taxes; George L. Faulstich, Jr., v.p.-finance and chief financial officer; William C. Heilbrun, v.p.-materials management; James T. Hewitt, v.p.-human resources; Evan Jeney, v.p./president-Service Group; Floyd M. McKenna, v.p./president-Power Systems Group; James N. Mills, v.p./president-Industrial Group; D. Louis Peoples, controller; William R. Rawson, v.p.-law and administration, corporate secretary; Dan T. Thomson, v.p./president-Commercial Group.

Directors: Edward J. Williams, Royal D. Alworth, Jr.*, L. Hardwick Caldwell, Jr., Boyd J. Simmons*, John A. Logan*, Marvin G. Mitchell*, Richard N. Rosett*, Donald P. Kelly, Robert T. Powers, Derald H. Ruttenberg.

*Member of the Executive Committee.

Divisions:

Industrial Products

National Electric Coil Division
Columbus, Ohio 43216
(614) 488-1151
Coils and components for, and repair of heavy electrical equipment, industrial lifting magnets.

Bussmann Manufacturing Division
St. Louis, Missouri 63107
(314) 421-1740
Fuses and fuse receptacles.

Commercial Development Division
Manchester, New Hampshire
Electronic test equipment for the communications industry; electro-mechanical components such as cam operated switches for the machine tool industry, preoperated switches for the machine tool industry, precision rotary and toggle switches for the elctronic and arospace industry, rugged and flexible cable and hose carriers for heavy industrial machines; subfractional horsepower motors and gear motors for appliances, computers copying machines, vending machines, and pumps; temperature sensing and monitoring devices used on motors, generators, aircraft engines, pipe lines, and oil drilling rigs; fire detection sensors for use on aircraft engines, petrochemical installations, power stations and in other hazardous environments.

Research Laboratory

Thomas A. Edison Technical Center
Franksville, Wisconsin
The role of the Technical Center is to develop the technology of selected apparatus and materials to a point where they can be used by operating divisions in producing new or improved products.

Commercial Products Group

Halo Lighting Division
Elk Grove Village, Illinois
(312) 678-4750
Decorative and recessed lighting fixtures for home and industry.

International Metal Products Division
Phoenix, Arizona 85002
(602) 254-7101
Evaporative coolers, portable coolers, make-up air units.

Power Systems Equipment

Power Systems Division
Canonsburg, Pennsylvania 15317
(412) 745-9100
Power and distribution transformers, capacitors, reclosers, oil circuit breakers, power switching equipment, switchgear, pole line hardware, lightning arresters primary and storage batteries and related equipment.

Process Equipment Group

Studebaker-Worthington, Inc.
One Dag Hammarskjold Plaza
885 Second Avenue
New York, New York 10017

Masoneilan International
63 Nahatan Street
Norwood, Massachusetts 02062
Automatic control valves and related items and liquid level controllers.

Turbodyne Corporation
800 Central Avenue
Minneapolis, Minnesota 55413
Mechanical drive steam turbines; steam turbine generator units; large industrial motors and generators.

Worthington Pump Inc.
530 Fifth Avenue
New York, New York 10036
Standard and engineered pumps, ejectors; comminutors, water treatment plants.

Worthington Services Corporation
233 Mount Airy Road
Basking Rige, New Jersey 07920
Field engineered repair and maintenance service to industrial customers.

Non-Manufacturing Division

Distribution Division
Elgin, Illinois
Truck fleet operations, warehousing.

McGraw-Edison International Division
Elgin, Illinois
Overseas sales of consumer products.

Subsidiaries:

McGraw-Edison Pan American Corporation
Elgin, Ilinois

McGraw-Edison International Sales Corp.
Elgin, Illinois

International Metal Products de Mexico, S.A.
Monterrey, Mexico
Air coolers, fans and heaters.

McGraw-Edison of Canada Limited
Toronto, Ontario, Canada
(416)251-6531
Small appliance and power tools; utility equipment; commercial laundry and dry cleaning equipment; coils and components for heavy electrical equipment; home laundry equipment; wet-cell primary batteries.

Transfer Agent(s):

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Marine Midland Bank - New York
140 Broadway
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: MGR

Number of Employees:

1980	35,000	1977	24,000
1979	38,000	1976	24,000
1978	25,000		

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1980	$ 2,263,600	$ 51,000
1979	1,330,869	72,732
1978	689,127	66,420
1977	592,410	57,291
1976	547,376	56,476

	No. of Com. Shares	Earn. per Share #
1980	16,331,743	$3.12
1979	16,338,347	4.44
1978	16,485,000	4.04
1977	16,387,000	3.50
1976	16,303,000	3.47

+ Of continuing operations only.
# Based on the average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Power systems	$ 433,300	$ 387,000
Service	197,600	155,800
Industrial	353,700	217,200
Commercial	251,900	206,300
Automotive	396,200	159,200

Process Equip.	648,300	211,900
Interseg. elim.	(17,400)	(6,500)
Total	$ 2,263,600	$ 1,330,900

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.80	—	—
1979	1.80	—	—
1978	1.70	—	—
1977	1.60	—	—
1976	1.40	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1980	$ 543,900	$33.30
1979	522,537	31.98
1978	477,218	28.95
1977	436,372	26.63
1976	403,693	24.76

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 2,263,600	$ 1,330,869
Cost of sales	1,653,100	944,619
Expenses	427,100	232,019
Interest expense (income)	88,900	35,622
Other charges (income)	(600)	421
Eq. in earnings of unconsol. entities	(4,000)	(2,891)
Income taxes	44,800	55,572
Minority interests	3,900	2,161
Income from cont. oper.	$ 50,400	$ 63,346
Income from discont. oper.	600	9,386
Net Income	$ 51,000	$ 72,732

* Included in Costs and Expenses, Depreciation: $57,800,000 in 1980 and $27,335,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash & marketable securities	$ 56,300	$ 119,226
Receiv., net	453,300	496,769
* Inventories	516,700	511,056
Other curr. assets	24,400	21,085
Current Assets	$ 1,050,700	$ 1,148,136
Assets of discont. oper.	73,300	180,964
# Fixed assets	517,800	502,520
Eq. in. unconsol. entities	35,800	31,141
Other assets	105,600	61,625
Total Assets	$ 1,783.200	$ 1,924,386

Liabilities
(000's)

Notes payable & comm. paper	$ 24,800	$ 62,066
Long-term debt, curr.	5,300	19,642
Accts. payable	166,700	161,575
Accruals	254,700	237,126
Income taxes	13,400	65,083
Curr. Liabilities	$ 464,900	$ 545,492
Long-term debt	604,200	768,614
Other liab.	104,500	25,383
Minority interests	65,700	62,360
+ Common stock	16,600	16,599
Add. paid-in capital	80,800	81,079
Retained earnings	453,100	431,408
Treasury stock	(6,600)	(6,549)
Total Liabilities & Shareholders' Equity	$ 1,783,200	$ 1,924,386

* At lower of cost (LIFO for domestic, FIFO for foreign) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Net Income to Equity	9.38	13.92
Sales to Inventories	4.38	2.60
Working Capital	$ 585,800,000	$ 602,644,000
Current Ratio	2.26	2.10
Shareholders' Equity	$ 543,900,000	$ 522,537,000

Measurement Systems, Incorporated

121 Water Street
Norwalk, Connecticut 06854
(203) 838-5561

Officers: Morton H. Mehr, president & treasurer; Robert D. Gorsoski, vice president & secretary.

Directors: Morton H. Mehr, Allan B. Campbell, Robert N. Grosby.

Areas of Work: Engaged in designing and building electromechanical and electronic products, primarily manual controls of radar, aircraft, computer & air-traffic control systems.

Measurement Systems International, Inc. (DISC)

Transfer Agent(s):

Industrial National Bank of Rhode Island
Providence, Rhode Island

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	53	1977	33
1979	46	1976	23
1978	39		

Plant Footage:

1980	10,000 sq. ft.	1977	10,000
1979	10,000	1976	4,800
1978	10,000		

Sales and Earnings

	Net Sales	Net Income
1981	$ 4,087,918	$ 789,565
1980	3,075,646	564,558
1979	2,330,353	437,193
1978	1,565,995	317,034
1977	1,158,430	209,699

	No. of Com. Shares	Earn. per Share
1981	140,473	$5.62
1980	140,473	4.02
1979	140,473	3.11
1978	140,473	2.26
1977	140,473	1.49

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$1.05	—	—
1980	0.80	—	—
1979	0.60	—	—
1978	0.50	—	—
1977	0.40	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 2,474,844	$17.62
1980	1,832,776	13.05
1979	1,380,596	9.83
1978	1027,687	7.32
1977	780,934	5.56

Income Account *

Year ended	2/28/81	2/29/80
Net sales	$ 4,087,918	$ 3,075,646
Cost of sales	1,820,477	1,344,208
Expenses	790,052	663,883
Other income	(78,964)	(62,919)
Prof. sh. plan	123,310	105,878
Income before taxes	$ 1,433,043	$ 1,024,596
Income taxes	643,478	460,038
Net Income	$ 789,565	$ 564,558

*Included in Costs and Expenses, Depreciation: $45,674 in 1981 and $39,885 in 1980.

Assets

As of	2/28/81	2/29/80
Cash	$ 1,125,903	$ 851,384
Accts. receiv., net	797,052	738,222
*Inventories	828,077	377,704
Prepaid expenses	49,561	33,349
Current Assets	$ 2,800,593	$ 2,000,659
# Fixed assets	186,784	220,029
Other assets	2,998	2,998
Total Assets	$ 2,990,375	$ 2,223,686

Liabilities

Accts. payable	$ 61,916	$ 79,214
Accruals	88,644	73,222
Prof. sh. plan	123,310	105,878
Income taxes	213,731	109,174
Payroll taxes	3,787	4,142
Other liabilities	24,143	19,280
Curr. Liabilities	$ 515,531	$ 390,910
+ Common stock	140,473	140,473
Add. paid-in capital	6,371	6,371
Retained earnings	2,328,000	1,685,932
Total Liabilities & Shareholders' Equity	$ 2,990,375	$ 2,223,686

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	35.06	33.31
%Net Income to Sales	19.31	18.36
%Net Income to Equity	31.90	30.80
Sales to Inventories	4.94	8.14
Working Capital	$ 2,285,062	$ 1,609,749
Current Ratio	5.43	5.12
Shareholders' Equity	$ 2,474,844	$ 1,832,776

Measurex Corporation

One Results Way
Cupertino, California 95014
(408) 255-1500

Officers: David A. Bossen, president and chief executive officer; Fernand Ostiguy, president-MXI; Jerome Raffel, sr. v.p.-operations; William I. Robinson, president-Measurex Europe; Donald L. Waite, sr. v.p.-finance; Doris S. Bossen, v.p.-communications; John C. Gingerich, v.p.-U.S. sales and service; Erik J. Hallman, managing director-Measurex Europe; James J. Heffernan, controller; Thomas A. King, v.p.-enginnering; Victor Kirk, v.p.-operations, Measurex Ireland, Ltd.; John W. Larson, secretary; John F. Lynch, v.p.-Southern Hempshere; William H. Moore, v.p.-sales and service/Pulp and Paper Division; Phillip E. Peterson, v.p.-personnel; Bill W. Solley, president-Measurex Japan, Ltd.; Phillip R. Trapp, v.p.-Industrial Energy Div.; Glenn R. Wienkoop, v.p.-Pulp, Paper, Industrial Systems; riley R. Willcox, v.p.-corporate development; Norman D. Winton, v.p.-service.

Measurex Corporation

Directors: Paul Bancroft III, Dwight C. Baum, Orion L. Hoch,, Graham Tyson, David A. Bossen, William H. Draper III, John W. Larson, John W. McKittrick.

Areas of Work: Develops, manufactures and markets automatic control systems (high-accuracy proprietary sensors linked to digital computers). Product line provides materials control, throughput control, energy control and quality control for manufacturers in the continuous process industries.

Subsidiaries:

Measurex Pty. Ltd.
1-3 Atchinson Street
St. Leonards, N.S.W. 2065
Australia

Measurex Int'l. G.m.b.H.
Gottfried Keller-Gasse 2/26
1030 Vienna
Austria

Measurex Inc.
Suite 136
981 Pierre Dupuy Street
Longueuil, Quebec J4K 1A1
Canada

Measurex Inc.
3311 No. 3 Road
Suite 204
Richmond, British Columbia
Canada

Measurex OY
P.O. Box 61
02701 Kauniainen
Finland

Measurex S.A.
18 rue de la Pepinère
France

Measurex S.A.
30 Quai Rambaud
69002 Lyon
France

Measurex G.m.b.H.
Frankfurter Allee 27
6236 Eschborn TS. West Germany

Measurex B.V.
P.O. Box 48
Geldermalsen
The Netherlands

Measurex Italia S.R.L.
Via Martinetti, 7
20147 Milano
Italy

Measurex (Ireland) Ltd.
Industrial Estate
Waterford, Ireland

Measurex Japan Ltd.
2-H, Higashi-Kojiya 6-chome
Ohta-ku, Tokyo 144
Japan

Measurex Systems N.Z. Ltd.
P.O. Box 1547
Rotarua, New Zerland

Measurex South Africa (Pty.) Ltd.
P.O.Box 18370
Dalbridge 4014
Natal
Republic of South Africa

Measurex Sweden AB
Cirkelgatan, P.O. Box 326
781 24 Borlange
Sweden

Measurex International Systems Limited
Measurex, House
Slough Road
Datchet
Slough SL 3 9AU
England

Measurex International Corporation (Espana)
Calle San Martin NO. 53-PISO 3.2
San Sebastian
Guipuzcoa
Spain

Measurex do Brazil
Rua Coelho Neto 329
13100 Campinas, SP
Brazil

Measurex (Ireland) Ltd.
Engineering Department
Mahon Industrial Estate
Blackrock
Cork, Ireland

Measurex Portugal—Sistems de
Controle Ltda.
Peritagens Contabilisticas LDA
Av. 5 De Outubro 35 - 3 F ESQ
1000 Lisbon, Portugal

Transfer Agent(s):

Bank of America, N.T. & S.A.
San Francisco, California

Stock Exchange(s): New York, Pacific

Ticker Symbol: MX

Number of Employees:

1980	2,080	1977	1,463
1979	2,101	1976	1,253
1978	1,808		

Sales and Earnings

	Operating Revenues	Net Income
1980	$122,033,000	$ 7,323,000
1979	119,474,000	9,928,000
1978	88,541,000	8,763,000
1977	64,123,000	5,357,000
1976	52,243,000	2,985,000

	No. of Com. Shares	Earn. per Share#
1980	3,487,890	$2.09
1979	3,411,515	2.82
1978	3,259,395	2.60
1977	3,207,704	1.65
1976	3,205,154	0.93

Based on the average number of common shares and common share eqivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 75,534,000	$21.66
1979	68,164,000	19.98
1978	57,284,000	17.58
1977	48,984,000	15.27
1976	43,851,000	13.68

Income Account *
(000's)

Year ended Nov. 30	1980	1979
Oper. revenues	$ 122,033	$ 119,474
Cost of sales, rentals & serv.	73,180	66,829
Expenses	28,014	28,020
New prod. devel. costs	6,317	5,941
Interest expense	5,216	4,832
Other income	(1,463)	(667)
Income before taxes	$ 10,769	$ 14,519
Income taxes	3,446	4,591
Net Income	$ 7,323	$ 9,928

* Included in Costs and Expenses, Depreciation and Amortization: $2,374,000 in 1980 and $2,160,000 in 1979.

Assets
(000's)

As of Nov. 30	1980	1979‡
Cash	$ 2,422	$ 3,458
Accts. receiv., net	40,255	44,673
* Inventories	34,470	37,929
Prepaid expenses	797	1,196
Current Assets	$ 77,944	$ 87,256
Lease contracts receiv.	3,647	4,078
Investments	13,143	11,128
Serv. parts	10,612	9,563
# Fixed assets	23,649	21,242
Other assets	2,673	2,925
Total Assets	$ 131,668	$ 136,192

Liabilities
(000's)

Notes Payable	$ 4,227	$ 5,014
Long-term debt, curr.	571	1,521
Accts. payable	4,558	4,049
Accruals	17,044	18,606
Income taxes	1,633	2,132
Def. income taxes	1,192	1,460
Curr. Liabilities	$ 29,225	$ 32,782
Long-term debt	18,169	27,260
Deferred inc. taxes	8,740	7,986
+ Common stock	112	108
Add. paid-in capital	34,095	32,335
Retained earnings	41,327	35,721
Total Liabilities & Shareholders' Equity	$ 131,668	$ 136 192

‡ Reclassified to conform to 1980 presentation.
* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Oper. Rev.	8.82	12.15
%Net Income to Oper. Rev.	6.00	8.31
%Net Income to Equity	9.69	14.56
Working Capital	$ 48,719,000	$ 54,474,000
Current Ratio	2.67	2.66
Shareholders' Equity	$ 75,534,000	$ 68,164,000

Mechanical Technology Incorporated

968 Albany Shaker Road
Latham, New York 12210
(518) 785-2211

Officers: Harry Apkarian, president & chief executive officer; Beno Sternlicht, chairman of the board & technical director; John Recupero, treasurer; V.B. Boghosian, secretary.

Directors: Beno Sternlicht*, chairman; Harry Apkarian*, V.B. Boghosian, [illegible]. Kaye Kerr, Charles Janjikian*, Wayne B. Lyon*, G. Mosteller*, Felix J. Ponzek.

*Member of the Executive Committee.

Areas of Work: Operates in four different areas— Research & Development provides problem-solving research, development and prototype manufacturing services in mechanical engineering, electrical engineering, measurement science, and energy technology. Energy Systems develops, manufactures, and sells steam turbines and waste energy recovery systems. Quality Assurance Equipment and Instrumentation produces high accuracy inspection systems, shock and vibration testing systems, and coordinate measuring machines. Metal Fabrications manufactures decorative trim, stampings, and hardware, primarily for the auto industry.

Divisions:

Boice Division
968 Albay Shaker Road
Latham, New York 12110
(518) 785-2211

10 Boice Road
Hyde Park, New York 12538
(914) 229-2171

New Karner Road
Colonie, New York
(518) 456-4131

Research & Development Division
968 Albany Shaker Road
Latham, New York 12110
(518) 785-2211

L.A.B. Division
P.O. Box G
Skaneateles, New York 13152
(315) 685-5781

Subsidiaries:

St. Clair Metal Products Company
1721 Dove Street
Port Huron, Michigan 04860
(313) 984-5123

Turbonetics Inc. (76% owned)
968 Albany Shaker Road
Latham, New York 12110
(518) 785-2211

Turbonetics Energy, Inc. (80% owned)

Transfer Agent(s):

Mrs. Betty Apkarian
968 Albany Shaker Road
Latham, New York 12110

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Revenues +	Net Income ‡
1980	$ 43,731,000	$ 2,863,000
1979	43,287,000	2,854,000
1978	27,579,000	2,825,703
1977	20,571,000	2,055,891
1976	12,074,000	1,214,439

	No. of Com. Shares	Earn. per Share ‡ #
1980	3,421,868	$0.92
1979	2,663,768	1.09
1978	2,040,768	1.09
1977	2,039,768	0.94
1976	2,009,768	0.61

+ Of continuing operations only.

‡ Including extraordinary credits of $900,000 ($0.33 per share) in 1978, $950,000 ($0.44 per share) in 1977 and $549,000 ($0.27 per share) in 1976.

# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 26,407,000	$7.72
1979	11,132,000	4.18
1978	6,418,261	3.15
1977	3,586,558	1.76
1976	1,410,667	0.77

Income Account *

Year ended Sept. 30	1980	1979
Sales	$ 43,731,000	$ 43,287,000
Cost of sales	30,678,000	30,580,000
Expenses	8,523,000	6,684,000
Prod. develop. costs	1,334,000	900,000
Oper. profit	$ 3,196,000	$ 5,123,000
Gain on sale of int. in Turbonetics	(779,000)	—
Interest expense	397,000	629,000
Interest income	(399,000)	(22,000)
Minority interest in loss of subsid.	(43,000)	—
Royalty income	(272,000)	—
Other expense (income)	(25,000)	7,000
Income before taxes	$ 4,317,000	$ 4,509,000
Income taxes	1,818,000	1,978,000
Inc. from cont. oper.	$ 2,499,000	$ 2,531,000
Inc. from discont. oper.	364,000	323,000
Net Income	$ 2,499,000	$ 2,531,000
Extraord. credit	364,000	323,000
Net Income & extraord. credit	$ 2,863,000	$ 2,854,000

* Included in Costs and Expenses, Depreciation: $1,050,000 in 1980 and $782,000 in 1979.

Assets

As of Sept. 30	1980	1979
Cash & cert. of dep.	$ 4,310,000	$ 1,153,000
Receiv., net	12,056,000	8,923,000
* Inventories	6,282,000	4,485,000
Deferred income tax	407,000	642,000
Prepaid expenses	243,000	138,000
Current Assets	$ 23,298,000	$ 15,341,000
# Fixed assets	7,624,000	7,098,000
Invest. in affil. co.	501,000	—
Other assets	659,000	557,000
Assets of discont. oper.	—	3,538,000
Total Assets	$ 32,082,000	$ 26,444,000

Liabilities

Long-term debt & cap. leases curr.	$ 28,000	$ 11,000
Incoe taxes	194,000	2,021,000
Accts. payable	2,895,000	2,918,000
Accruals	1,793,000	1,885,000
Accruals payroll	185,000	96,000
Curr. Liabilities	$ 5,095,000	$ 6,931,000
Long-term debt & cap. leases	143,000	8,140,000
Deferred federal income taxes	359,000	241,000
Minority iterest	78,000	—
+ Common stock	3,455,000	2,697,000
Add. paid-in capital	17,997,000	6,343,000
Retained earnings	5,091,000	2,228,000
Treasury stock	(136,000)	(136,000)
Total Liabilities & Shareholders' Equity	$ 32,082,000	$ 26,444,000

* At lower of cost (FIFO) or market.

# Less accumulated depreciation and amortization.

+ $1 par value.

Statistical Summary

%Net Income to Equity	9.46	22.74
Working Capital	$ 18,203,000	$ 8,410,000
Current Ratio	4.57	2.21
Shareholders' Equity	$ 26,407,000	$ 11,132,000

Medcor, Inc.

(77% owned by INCO Electro Energy Corp., a subsidiary of INCO Limited)

5920 Rodman Street
Hollywood, Florida 33023
(305) 966-5900

Officers: Elias N. Ede, president; Jin W. Lee, v.p.-product assurance; Charlie H. Pulley, v.p.-sales & marketing; John C. Hodge, v.p.-operations.

Directors: Elias N. Ede, Alvin J. Salkind, David W. Clark, Warren G. Mang, Edward F. Sweeney, Cesar L. Alvarez, Norman Dann.

Areas of Work: Engaged in the manufacture and sale of implantable cardiac pacemakers, leads, accessories and the "Pacer-check" system for transmitting electrocardiograms and pacemaker performance data from the patient to his physician via the telephone.

Subsidiaries:

ESB Medcor, Inc.
5920 Rodman Street
Hollywood, Florida 33023
(305) 966-5900

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MDCR (NASDAQ)

Number of Employees:

1979	113	1976	110
1978	97	1975	88
1977	108		

Plant Footage:

1979	17,800 sq. ft.	1976	14,500
1978	17,800	1975	10,000
1977	17,800		

Sales and Earnings

	Net Sales	Net Income ‡
1979	$ 4,495,238	$ 296,674
1978	4,362,016	(167,716)
1977	4,208,329	330,870
1976	3,078,848	(22,088)
1975	1,531,690	(919,125)

	No. of Com. Shares +	Earn. per Shares + ‡
1979	4,140,720	$0.07
1978	4,138,826	—
1977	4,134,720	0.08
1976	4,134,720	—
1975	4,133,053	—

(Loss)

‡ Including extraordinary gains of $120,423 ($0.03 per share) in 1979 ad $148,750 ($0.04 per share) in 1977.

+ Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1979	$ 2,711,625	$0.65

‡ Based on the average number of shares outstanding.

Income Account

Year ended Dec. 31	1979	1978
Net sales	$ 4,495,238	$ 4,362,016
Cost of sales	2,261,427	2,279,721
Expenses	1,956,015	2,072,895
Interest expense	3,268	238,753
Other income	(22,146)	(61,637)
Income (loss) before taxes	$ 296,674	$ (167,716)
Income taxes	120,423	—
Net Income (loss)	$ 176,251	$ (167,716)
Extraord. gain	120,423	—
Net Income (loss) & extraord. gain	$ 296,674	$ (167,716)

Medcor, Inc.

Assets

As of Dec. 31	1979	1978
Cash	$ 213,015	$ 113,242
Accts. receiv., net	740,580	868,554
Advances	—	300,000
* Inventories	2,052,371	1,164,579
Prepaid expenses	282,993	42,072
Current Assets	$ 3,288,959	$ 2,488,447
# Fixed assets	235,686	218,839
Non-curr. inven.	82,908	44,544
Other assets	38,075	46,905
Total Assets	$ 3,645,628	$ 2,798,735

Liabilities

Long-term debt, curr	$ 22,149	$ 221,985
Accts. payable	727,540	277,621
Accruals	179,624	186,475
Curr. Liabilities	$ 929,313	$ 686,081
Long-term debt	4,690	2,321,916
+ Common stock	41,407	41,407
Add. paid-in capital	5,155,793	2,531,580
Retained earnings (deficit)	(2,485,575)	(2,782,249)
Total Liabilities & Shareholders' Equity	$ 3,645,628	$ 2,798,735

* At cost (FIFO), which is not in excess of market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.60	—
%Net Income to Sales	3.92	—
%Net Income to Equity	6.50	—
Sales to Inventories	2.19	3.75
Working Capital	$ 2,359,646	$ 1,802,366
Current Ratio	3.54	3.63
Shareholders' Equity (Deficiency)	$ 2,711,625	$ (209,262)

Medtronic, Inc.

3055 Old Highway Eight
P.O. Box 1453
Minneapolis, Minnesota 55440
(612) 574-4000

Officers: Earl E. Bakken, chairman of the board; Dale R. Olseth, president & chief executive officer; Charles F. Cuddihy, Jr., B. J. Amdahl, exec. v.p.'s; Donald R. Stone, sr. v.p.; R.J. Dittrich, v.p., secretary & general counsel; Richard L. Fast, v.p.-U.S. Cardiovascular operations; Gerard C. Planchon, v.p.-Europe/Middle East/African operations; Donald R Stone, sr. v.p.-product assurance and regulatory affairs; John A. Meslow, v.p.-personnel & human resources; Whitney A. McFarlin, v.p.-pacing products groups; Gerald D. Van Eeckhout, v.p.-corp. relations, & administration; V. David Schwa[illegible]tes, v.p.-finance & planning, treasurer & controller; Richard W. Nunn, Paul W Ernst, asst. treasurers; William E. Drake, asst. secretary & deputy general counsel; Lew Schwartz, asst. secretary.

Directors: Earl E. Bakken, Thomas E. Holloran Gerald W. Simonson, Richard L. S[illegible]hall, Dale R. Olseth, Winston R. Wallin, Charles F. Cuddihy, Jr., Richard E. [illegible]omer, F. Caleb Blodgett, Richard A. Swalin, Glen D. Nelson.

Areas of Work: Designs, manufactures and markets cardiac pacemakers and other cardiovascular, neurological and rehabilitative medical devices, patient monitoring & follow-up services, prosthetic heart valves and nuclear and ultra-sound imaging software.

Divisions and Subsidiaries:

Mirco-Rel Division
2343 W. 10th Place
Tempe, Arizona 85283
(602) 968-6411

Population Research Inc.
P.O. Box 319,
Smith & Crew Road
Georgetown, Grand Cayman
British West Indies

Interamerica Medtronic, Inc
Atrium Office Park
Suite 210/211
3900 Northwest 79th Avenue
Miami, Florida 33166

Medtronic Fabrication
Zone Industrielle Sud
Route d'Ânor
59610 Fourmies, France

Medtronic Blood Systems Inc.
21st Avenue North at Fernbrook Lane
Plymouth, Minnesota 55441

New England Research Center Division
45 William Street
Wellesley, Massachusetts

Medtronic Physiological Research Laboratories
1500 Northdale Boulevard
Coon Rapids, Minnesota 55433

Medtronic Biomedical Pty. Ltd.
Suite 8
409 King George's Road
Beverly Hills
2209 N.S.W.
Australia

Medtronic do Brasil Ltda.
Avenida Tambor'e 1433
Alphaville,
06400 Barueri
Sao Paulo, Brazil

Medtronic of Canada Ltd
6733 Kitimat Rd.
Mississauga, Ontario L5N 1W3
Canada
(416) 826-6020

Medtronic France S.A.
120, Avenue Charles-de-Gaulle
92200 Neuilly-sur-Seine
Paris, France

Medical Data Systems Division
2311 Green Road
Ann Arbor,Michigan 48105

Kastec Corporation
21st Avenue North at Fernbrook Lane
Plymouth, Minnesota 55441

Meditronic B.V.
Wenckebachstraat, 10
6466 Kerkrade-West
The Netherlands

Cardiocare Division
425 East 61st Street
New York, New York 10021

Hermadyne Division
3055 Old Highway Eight
P.O. Box 1453
Minneapolis, Minnesota 55440

Neuro Division
2199 Noth Pascal
St. Paul, Minnesota 55113

Med Rel, Inc.
P.O. Box 8687
Humacao, Puerto Rico 00661

Medtronic Puerto Rico, Inc.
P.O. Box M
Villalba, Puerto Rico 00766

Energy Technology
Division of Medtronic, Inc.
6700 Shingle Creek Parkway
Brooklyn Center, Minnesota 55430

Transfer Agent(s):

-Northwestern Trust Company of New York
New York, New York

Northwestern National Bank of Minneapolis
Minneapolis, Minnesota

Stock Exchange(s): New York

Ticker Symbol: MDT

Number of Employees:

1981	4,792	1978	3,550
1980	4,485	1977	3,403
1979	4,051		

Plant Footage:

1981	1,032,732 sq. ft.	1978	954,000
1980	1,034,022	1977	903,000
1979	1,034,022		

Sales and Earnings

	Net Sales +	Net Income
1981	$ 313,560,000	$ 41,872,000
1980	270,366,000	38,674,000
1979	224,067,000	23,472,000
1978	182,201,000	17,308,000
1977	148,278,000	14,607,000

	No.of Com. Shares †	Earn. per Share #
1981	15,559,357	$2.70
1980	15,422,660	2.52
1979	15,280,022	1.54
1978	15,158,410	1.15
1977	15,033,388	0.98

+ Includes commissions.
† Adjusted to reflect stock split.
# Based on weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1981	$0.48	—	—
1980	0.30	—	2- for-1
1979	0.30	—	—
1978	0.20	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1981	$ 209,541,000	$13.47
1980	172,522,000	11.19
1979	136,288,000	8.92
1978	115,087,000	7.59
1977	99,558,000	6.62

+ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended April 30	1980	1979
Net sales & commission	$ 270,366	$ 224,067
Cost of sales	98,292	86,947
Expenses	118,755	97,050
Interest expense	3,841	2,759
Interest income	(3,696)	(2,561)
Income before taxes	$ 53,174	$ 39,872
Income taxes	14,500	16,400
Net Income	$ 38,674	$ 23,472

* Included in Costs and Expenses, Depreciation and Amortization: $7,176,000 in 1980 and $5,498,000 in 1979.

Assets
(000's)

As of April 30	1980	1979
Cash	$ 2,194	$ 1,578
Cert. of deposit	28,321	23,805
Accts. receiv. net	71,105	58,355
* Inventories	69,677	53,046
Prepaid expenses	7,994	7,386
Current Assets	$ 179,291	$ 144,170
# Fixed assets	56,040	46,855
Other assets	8,657	5,419
Total Assets	$ 256,760	$ 205,670

Liabilities
(000's)

Notes payable	$ 22,789	$ 22,124
Accts. payable	16,157	13,990
Accrued payroll	10,607	7,546
Accruals	9,802	6,609
Income taxes	2,366	10,714
Curr. Liabilities	$ 61,721	$ 60,983
Long-term debt	10,408	2,359
Product Warranties	7,732	3,768
Deferred inc. taxes	4,377	2,272
+ Common stock	1,542	764
Add paid-in capital	42,495	40,329
Retained earnings	128,485	95,195
Total Liabilities & Shareholders' Equity	$ 256,760	$ 205,670

* At lower of cost (FIFO) or market.
# Less accumlulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	19.67	17.79
%Net Income to Sales	14.30	10.48
%Net Income to Equity	22.42	17.22
Working Capital	$ 117,570,000	$ 83,187,000
Current Ratio	2.90	2.36
Shareholders' Equity	$ 172,522,000	$ 136,288,000

Megadata Corporation

35 Orville Drive
Bohemia, New York 11716
(516) 589-6800

Officers: Y.N. Bachana, chairman of the board & president; John R. Keller, exec. v.p. & secretary; Biagio Inzerillo, v.p.-programming; James J. Kelly, v.p.-operations.

Directors: Yitzhak N. Bachana, chairman; John R. Keller, Biagio Inzerillo, Richard R. Schilling, Jr., Ronald S. Goldstein.

Areas of Work: Engaged in the development and manufacture of CRT data displays and terminals. Typical Applications include airlines reservation terminals, communication network monitoring systems, communications network terminals, credit verification terminals, banking-credit authorization terminals, automated text editing data displays systems.

Subsidiaries:

TSD Display Products, Inc.
302 Legget Drive
Kanata, Ontario K2K 1Y5
Canada

Develops, manufactures and markets touch screen digitizers, display monitors, and welded wire frames.

Megadata GmbH
Karwinski Str. 1B
8000 Munich 60 West Germany

Transfer Agent(s):

Continental Stock Transfer & Trust Company
19 Rector Street
New York, New York 10006

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MDTA (NASDAQ)

Number of Employees:

1979	132	1976	96
1978	111	1975	66
1977	111		

Sales and Earnings

	Net Sales	Net Income
1980	$ 9,114,846	$ 287,294
1979	9,233,921	354,770
1978	7,477,377	202,889
1977	6,207,713	(88,622)
1976	5,874,864	294,723

	No. of Com. Shares	Earn. per Share #
1980	1,131,800	$0.25
1979	1,115,250	0.31
1978	1,115,250	0.18
1977	1,115,250	—
1976	1,093,550	0.36

(Loss)
# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,964,737	$2.62
1979	2,658,387	2.38
1978	2,303,617	2.07
1977	2,100,728	1.88
1976	2,145,948	1.96

Income Account

Year ended Oct. 31	1980	1979
Net sales	$ 9,114,846	$ 9,233,921
Cost of sales	6,991,492	6,972,832
Expenses	1,422,453	1,489,249
Interest expense	178,607	153,270
Income before taxes	$ 522,294	$ 618,570
Income taxes	235,000	263,800
Net Income	$ 287,294	$ 354,770

Assets

As of Oct. 31	1980	1979
Cash	$ 706,408	$ 240,841
Accts. receiv., net	1,842,869	1,998,405
* Inventories	1,779,781	2,770,678
Prepaid expenses & sundry receiv.	41,545	62,351
Current Assets	$ 4,370,603	$ 5,072,275
# Fixed assets	512,860	426,650
Other assets	17,796	44,820
Total Assets	$ 4,901,259	$ 5,543,745

Liabilities

Long-term debt, curr.	$ 404,722	$ 260,111
Accts. payable	511,990	1,179,849
Accruals	295,826	290,392
Accrued taxes	31,200	90,338
Curr. Liabilities	$ 1,243,738	$ 1,820,690
Long-term debt	560,585	965,411
Deferred inc. taxes	132,199	99,257
+ Common stock	11,318	11,153
Add. paid-in capital	1,834,820	1,815,929
Retained earnings	1,118,599	831,305
Total Liabilities & Shareholders' Equity	$ 4,901,259	$ 5,543,745

* At lower of cost (FIFO) or market (replacement cost).
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.73	6.70
%Net Income to Sales	3.15	3.84
%Net Income to Equity	9.69	13.35
Sales to Inventories	5.12	3.33
Working Capital	$ 3,126,865	$ 3,251,585
Current Ratio	3.51	2.79
Shareholders' Equity	$ 2,964,737	$ 2,658,387

Memorex Corporation

San Tomas at Central Expressway
Santa Clara, California 95052
(408) 987-1000

Officers: C.W. Spangle, chairman and chief executive officer; Charles S. Strauch, president and chief operating officer; George L. Bragg, v.p.-corporate development; Reto Braun, v.p. & president-Memorex International Group; Paul L. Klein, v.p. & president-Communications Group; Robert L. Erickson, v.p.-legal & secretary; Robert L. Malcolm, v.p.-industrial relations; Richard W. Martin, v.p. & president-Media Products Group; James Simpson, v.p. & president-Storage Systems Group; F. Gordon Smith, v.p.-communications; James A. Unruh, v.p.-finance and chief financial officer; Thomas S. Stevens, v.p. & treasurer.

Directors: C.W. Spangle*, chairman; Robert L. Chambers*, Alger Chaney*, Philip J. Gomez, Vester T. Hughes, Jr.; Alvin C. Rice*, T. Robert Sandberg*, Benno C. Schmidt, Charles S. Strauch*, Theodore Vermeulen*, Robert C. Wilson*.

*Member of Executive Committee.

Areas of Work: Manufactures, markets and leases computer peripheral equipment including disc storage systems, tape storage subsystems, add-on memories, computer output to microfilm systems, communication terminals and controllers, line printers; computer media (tapes and disc packs); video tapes for broadcasting and closed-circuit operations; consumer audio tapes; microfilm and word processing supplies.

Subsidiaries:

Mini Disc Drive Corp.
3214 Scott Blvd.
Santa Clara, California 95052

Divisions:

Storage Systems Group
Communications Group
General Systems Group
Media Products Group
Europe-Middle East-Africa Group
Americas and Asia Group

Also subsidiaries in Canada, United Kingdom, France, Belgium, Netherlands, Germany, Finland, Sweden, Norway, Denmark, Italy, Switzerland, Austria, Spain, Mexico, Brazil, Venezuela, Argentina, Japan, Australia, Puerto Rico.

CFI Division
305 Crescent Way
Anaheim, California 92801

Precision Plastics Division
1352 Reynolds Avenue
Irvine, California 92705

Business Systems Division
3015 Daimler
Santa Ana, California 92705

Transfer Agent(s):

Bank of America N.T. & S.A.
1 South Van Ness Avenue
San Francisco, California 94104

Stock Exchange(s): New York

Memorex Corporation

Ticker Symbol: MRX

Number of Employees:

1980	11,000	1977	8,823
1979	12,284	1976	6,800
1978	11,000		

Sales and Earnings

	Revenue	Net Income #
1980	$768,661,000	$ (28,978,000)
1979	737,761,000	31,544,000
1978	633,266,000	50,197,000
1977	450,112,000	55,963,000
1976	344,633,000	39,755,000

	No. of Com. Shares ‡	Earn. per Share ‡ #
1980	7,232,000	$ —
1979	7,578,000	3.91
1978	7,582,000	6.90
1977	7,198,000	8.81
1976	7,220,000	7.03

(Loss)

# Includng extraordinary gains of $8,249,000)$1.25 per share) in 1978, $22,094,000 ($3.56 per share) in 1977, $15,073,000 ($2.72 per share) in 1976.

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$143,927,000	$19.90
1979	175,386,000	23.14
1978	141,264,000	18.63
1977	46,157,000	6.41

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended Dec. 31	12/26/80	12/28/79
Net sales	$ 564,642	$ 563,404
Other income	204,019	174,357
Revenue	$ 768,661	$ 737,761
Cost of service	408,092	352,282
Cost or rental & sales	142,855	122,713
Expenses	187,467	175,908
Research & develop.	34,573	28,345
Interest expense & other	21,828	9,225
Products Phaseouts	6,000	—
Income (Loss) before taxes	$ (32,154)	$ 49,288
Income taxes (Credits)	(3,176)	17,744
Net Income (Loss)	$ (28,978)	$ 31,544

* Included in Costs and Expenses, Depreciation and Amortization: $55,540,000 in 1980 and $46,807,000 in 1979.

Assets
(000's)

As of	12/26/80	12/28/79
Cash & temp. invest.	$ 15,135	$ 14,940
Accts. receiv., net	135,747	145,076
* Inventories	163,920	184,130
Prepaid expenses	6,035	6,146
Current Assets	$ 320,837	$ 350,292
# Rental equip. & spare parts	115,170	110.172
# Fixed assets	125,817	114,478
Other assets	26,856	23,377
Total Assets	$ 588,680	$ 598,319

Liabilities
(000's)

Long-term debt, curr.	$ 54,001	$ 17,352
Accts. payable	54,260	66,419
Accruals	68,505	64,160
Income taxes	11,496	22,669
Curr. Liabilities	$ 188,262	$ 170,600
Long-term debt	182,898	172,160
Deferred inc. taxes	7,680	14,260
+ Preferred stock	65,913	65,913
+ + Common stock	7,255	7,211
Add. paid-in capital	96,806	96,375
Retained earnings	39,866	71,800
Total Liabilities & Shareholders' Equity	$ 588,680	$ 598,319

* At lower of standard cost (FIFO) or market.

# Less accumulated depreciation.

+ $100 par value.

+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	—	6.68
%Net Income to Revenues	—	4.28
%Net Income to Equity	—	17.99
Working Capital	$132,575,000	$179,692,000
Current Ratio	1.70	2.05
Shareholders' Equity	$143,927,000	$175,386,000

Methode Electronics, Inc.

7444 West Wilson Avenue
Chicago, Illinois 60656
(312) 867-9600

Officers: William J. McGinley, president; William T. Jensen, executive vice president; Kevin Hayes, v.p. & treasurer; Robert C. Keck, secretary; Dennis L. Stalzer, exec. v.p.; William H. Hawkins, v.p., Technical Components Inc.; Michael G. Andre, v.p., Interconnect Products Div.; Arnold A. Brevick, v.p., Carthage Precision Electric Company; John L. Glasser, v.p., Methode Electronics, Inc.-East; J. William Graham, president, Trace Instruments; Gerald E. Kirschenbaum, v.p., Trace Laboratories; Ronald W. Lesky, v.p., Connector Div.; Eric L. Vollmar, president, Graphic Research, Inc.

Directors: William J. McGinley, William T. Jensen, George C. Wright, Robert C. Keck, Raymond J. Roberts, William C. Croft.

Areas of Work: Develops and manufactures electronic component devices, including printed circuits, connectors, switches, busbars and back-planes, used in the production of equipment such as computers, communication systems and consumer electronic equipment.

Divisions and Subsidiaries:

Methode Development Corp.
7447 W. Wilson Avenue
Chicago, Illinois 60656
(312) 867-9600
Electronic chemicals, materials, process refinement.

Printed Circuit Division
7444 W. Wilson Avenue
Chicago, Illinois 60656
(312) 867-9600
Printed circuits.

Methode Electronics, Inc. East
Printed Cicuit Division
One Industrial Park, Box M
Willingboro, New Jersey 08046
(609) 871-3500

Methode Electronics, Inc.-Rolling Meadows Division
1700 Hicks Road
Rolling Meadows, Illinois 60008
(312) 392-3500
Power/signal distribution systems, laminar bus bars, backplanes, voltage and ground plane distribution systems.

Connector Division
7447 W. Wilson Avenue
Chicago, Illinois 60656
(312) 867-9600
Connectors-card receptable, rack and panel, punched plate, connector circuit, card panel assemblies and wire panels, plyoduct conductor cables.

Graphic Research Inc.
9334 Mason Avenue
Chatsworth, California 91311
(213) 886-7340
Printed circuits.

Technical Components Company
6633 W. 99th Street
Chicago, Illinois 60415
(312) 735-7363
High voltage leads and harnesses, jacks, and jack panel assemblies.

Carthage Precision Electric Co.
111 Buchanan Street
Carthage, Illinois 62221
(217) 357-3941
Special switches.

Trace Instruments Division
P.W.R., Inc.
9020 Eton Avenue
Canoga Park, California 91304
(213) 341-5593
Electronic testing equipment.

Transfer Agent(s):

Continental Illinois National Bank and
Trust Company of Chicago
Chicago, Illinois

Stock Exchange(s): Over-the-Counter

Ticker Symbol: METH (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1980	$ 44,290,168	$ 996,789
1979	39,103,469	1,323,078
1978	34,740,502	973,889
1977	27,527,968	414,213
1976	22,608,194	291,038

	No. of Com. Shares	Earn. per Share
1980	855,000	$1.14
1979	855,000	1.52
1978	855,000	1.12
1977	855,000	0.46
1976	855,000	0.32

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.40	—	—
1979	0.40	—	—
1978	0.40	—	—
1977	0.40	—	—
1976	0.40	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$ 9,089,356	$10.63
1979	8,334,567	9.75
1978	7,253,489	8.48
1977	6,521,600	7.63
1976	6,349,387	7.43

‡ After allowing for preferred stock at par value of $100 per share.

Income Account *

Year ended April 30	1980	1979
Net sales	$ 44,290,168	$ 39,103,469
Other income	139,350	142,348

Total income	$ 44,429,518	$ 39,245,817
Cost of sales	35,133,989	30,884,933
Expenses	6,492,700	5,753,030
Interest expense	611,040	424,776
Prov. for disc. oper.	720,000	—
Income before taxes	$ 1,471,789	$ 2,183,078
Income taxes	475,000	860,000
Net Income	$ 996,789	$ 1,323,078

* Included in Costs and Expenses, Depreciation and Amortization: $1,228,084 in 1980 and $1,174,167 in 1979.

Assets

As of April 30	1980	1979
Cash	$ 545,439	$ 588,524
Accts. receiv., net	6,244,895	5,689,110
* Inventories	6,664,626	5,552,555
Prepaid expenses	120,895	149,639
Current Assets	$ 13,575,855	$ 11,979,828
# Fixed assets	8,388,946	6,912,919
Other assets	135,307	46,636
Total Assets	$ 22,100,108	$ 18,939,383

Liabilities

Notes payable	$ —	$ 100,000
Long-term debt, curr.	51,225	219,338
Accts. payable	4,039,944	3,509,898
Accruals	715,324	599,193
Accrued payroll	757,793	684,177
Income taxes	40,904	225,586
Curr. Liabilities	$ 5,605,190	$ 5,338,192
Long-term debt:		
Bank note	5,000,000	3,325,000
Mortgage	779,350	383,902
Equip. contract	385,000	400,000
Deferred inc. taxes	491,000	540,000
Def. compensation	250,212	117,722
+ Preferred stock	500,000	500,000
+ + Common Stock	861,000	861,100
Add. paid-in capital	914,449	914,449
Retained earnings	7,358,013	6,603,224
Treasury stock	(44,206)	(44,206)
Total Liabilities & Shareholders' Equity	$ 22,100,108	$ 18,939,383

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $100 par value, Series A, 4% cumulative convertible.
+ + $1 par value.

Statistical Summary

% Income bef. Taxes to Sales	3.32	5.58
% Net Income to Sales	2.25	3.38
% Net Income to Equity	10.39	14.98
Sales to Inventories	6.65	7.04
Working Capital	$ 7,970,665	$ 6,641,636
Current Ratio	2.42	2.24
Shareholders' Equity	$ 9,589,356	$ 8,834,567

Metra Electronics Corporation

660 McDonald Avenue
Brooklyn, New York 11218
(212) 871-4100

Officers: Michael M. Somma, president; Gasper Cafiero, secretary & treasurer; Eli Podberesky, v.p.-nat'l sales; William P. Nobile, v.p.-sales adm.; Nina Proko, asst. secretary.

Directors: Michael M. Somma, Gasper Cafiero, Joseph P. Conte.

Areas of Work: Develops, manufactures and markets custom automotive sound installation kits, in-dash stereo tape player kits, solid state relays, power supplies and automobile burglar alarm systems.

Transfer Agent(s):

Chase Manhattan Bank, N.A.
1 New York Plaza
New York, New York 10015

Stock Exchange(s): Over-the-Counter

Plant Footage:

1980 . . . . . . 62,500 sq. ft. 1979 . . . . . .32,500 sq. ft.

Sales and Earnings

	Net Sales	Net Income
1980	$ 4,696,510	$ (89,422)
1979	6,638,550	400,395
1978	7,731,051	610,764
1977	7,219,066	524,793
1976	4,757,706	467,408

	No. of Com. Shares +	Earn. per Share †
1980	574,418	$ —
1979	574,418	0.70
1978	574,418	1.06
1977	574,418	0.91
1976	574,418	0.81

(Loss)
+ Adjusted to reflect stock dividend.
† Based on the number of shares outstanding during each period, adjusted to reflect stock dividend.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$ —	—	—
1979	0.15	—	—
1978	0.15	—	—
1977	0.15	100%	—
1976	0.125	—	—

+ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 2,763,656	$4.81
1979	2,854,828	4.97
1978	2,540,596	4.42
1977	2,022,991	3.52
1976	1,592,856	2.77

‡ Adjusted to reflect stock dividend.

Income Account *

Year ended March 31	1980	1979
Net sales	$ 4,696,510	$ 6,638,550
Other income	57,576	42,183
Total income	$ 4,754,086	$ 6,680,733
Cost of sales	3,719,224	4,503,515
Depreciation and amortization	148,418	156,059
Expenses	964,478	970,047
Prov. for emp. benefits	105,000	209,875
Income (loss) before taxes	$ (183,034)	$ 841,237
Net Income (credit)	(93,612)	440,842
Net Income (Loss)	$ (89,422)	$ 400,395

Assets

As of March 31	1980	1979
Cash	$ 687,181	$ 1,271,344
Accts. receiv., net	690,920	591,277
* Inventories	713,711	678,309
Prepaid expenses	30,797	68,342
Prepaid corporate taxes	305,000	211,388
Current Assets	$ 2,427,609	$ 2,820,660
# Fixed assets	1,548,133	1,312,696
Other assets	2,479	1,406
Total Assets	$ 3,978,221	$ 4,134,762

Liabilities

Accts. payable	$ 215,837	$ 70,874
Notes & bonds payable	72,149	66,432
Accruals	128,263	125,574
Dividends payable	—	86,163
Pension liability	62,000	159,369
Deferred compensation	120,000	80,000
Curr. Liabilities	$ 598,249	$ 588,412
Long-term debt	616,316	691,522
+ Common stock	11,488	11,488
Add. paid-in capital	322,084	322,084
Retained earnings	2,431,834	2,521,256
Treasury stock	(1,750)	—
Total Liabilities & Shareholders' Equity	$ 3,978,221	$ 4,134,762

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.02 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	12.67
%Net Income to Sales	—	6.03
%Net Income to Equity	—	14.03
Sales to inventories	6.58	9.79
Working Capital	$ 1,829,360	$ 2,232,248
Current Ratio	4.06	4.79
Shareholders' Equity	$ 2,763,656	$ 2,854,828

Metro-Tel Corp.

15 Burke Lane
Syosset, New York 11791
(516) 364-3377

Officers: Venerando J. Indelicato, president and treasurer; Sheppard Beidler, secretary.

Directors: Sheppard Beidler, Venerando Indelicato, John Van Derwerken, Lloyd Frank, Michael Michaelson.

Areas of Work: Chemicaly heated soldering irons, telephone test equipment, telephone power supplies and coupling units.

Subsidiaries:

Kenmode Mfg. Co., Inc.
15 Burke Lane
Syosset, New York 11791

Transfer Agent(s):

Registrar & Transfer Co.
34 Exchange Place
Jersey City, New Jersey 07302

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MTRO (NASDAQ)

Number of Employees:

1980 . . . . . . 55 1977 19
1979 . . . . . . 33 1976 19
1978 33

Plant Footage:

1980 . . . . . . 23,000 sq. ft. 1977 13,500
1979 . . . . . . 13,500 1976 13,500
1978 13,500

Sales and Earnings

	Net Sales	Net Income †
1980	$ 2,949,001	$ 237,178
1979	2,421,094	192,986
1978	1,544,894	150,865
1977	885,209	111,125
1976	601,036	(71,083)

	No. of Com. Shares	Earn. per Share † #
1980	1,319,033	$0.18
1979	1,319,033	0.15
1978	1,319,033	0.11

1977	1,248,450	0.09
1976	1,242,033	—

(Loss)

† Including extraordinary gains of $33,956 ($0.03 per share) in 1980, $40,237 ($0.03 per share) in 1978 and $39,840 ($0.03 per share) in 1977.

# Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 971,231	$0.74
1979	760,434	0.58
1978	567,448	0.43
1977	416,583	0.33
1976	281,209	0.23

Income Account *

Year ended June 30	1980	1979
Net sales	$ 2,949,001	$ 2,421,094
Cost of sales	2,109,900	1,760,327
Expenses	479,578	339,486
Income before taxes	$ 359,523	$ 321,281
Income taxes	156,301	128,295
Net Income	$ 203,222	$ 192,986
Extraord. gain	33,956	—
Net Income & extraord. gain	$ 237,178	$ 192,986

* Included in Cost and Expenses, Depreciation and Amortization: $24,637 in 1980 and $10,387 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 49,999	$ 26,549
Accts. receiv., net	645,527	472,591
* Inventories	886,679	632,310
Prepaid expenses	21,887	11,289
Current Assets	$ 1,604,092	$ 1,142,739
# Fixed assets	110,206	58,346
Other assets	347,939	100,700
Total Assets	$ 2,062,237	$ 1,301,785

Liabilities

Notes payable	$ 212,500	$ —
Long-term debt, curr.	—	8,566
Accts. payable	371,633	260,470
Accruals	141,778	76,464
Income taxes	20,849	87,767
Curr. Liabilities	$ 746,760	$ 433,267
Long-term debt	344,246	108,084
+ Common stock	32,976	32,976
Add. paid-in capital	705,605	705,605
Retained earnings	232,650	21,853
Total Liabilities & Shareholders' Equity	$ 2,062,237	$ 1,301,785

* At lower of cost (FIFO) or market.

# Less accumulated depreciation and amortization.

+ $0.025 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.19	13.27
%Net Income to Sales	8.04	7.97
%Net Income to Equity	24.42	25.38
Sales to Inventories	3.33	3.83
Working Capital	$ 857,332	$ 709,472
Current Ratio	2.15	2.64
Shareholders' Equity	$ 971,231	$ 760,434

Micro Mask, Inc.

695 Vaqueros Avenue
Sunnyvale, California 94086
(408) 245-7342

Officers: Joseph C. Ross, Jr., chairman of the board & president; Robert E. Whiteside, sr. v.p. & gen. mgr., Micro Mask/ Sempro Operations; Johnny H. Ashcraft, v.p., controller & treasurer; Donald J. Holthaus, v.p. & asst. secretary; James A. Reynolds, v.p. -engineering; Victor A. Hebert, secretary.

Directors: Joseph C. Ross, Jr., chairman; Robert E. Whiteside, Richard A. Campbell, Joseph Chulicke, Jr., Noel J. Fenton, Gordon E. Moore, Isaac Stein.

Areas of Work: Manufacturer of photomasks and hard surface photoplates required in the design, engineering and production of integrated circuits and semiconductors. Also produces a broad line of custom designed, wire-wound magnetic components for the electronics industry.

Divisions and Subsidiaries:

Micro Mask/ Sempro Division
Sunnyvale, California

Supplier of photomasks for the semiconductor and integrated circuit markets.

EMC Division
Azusa, California

Supplier of hard surface glass photoplates, required for manufacturing hard surface photomasks, used in the production of photomasks.

Tranex Division
Mountain View, Angel's Camp & Santa Ana, California

Manufactures custom designed products such as transformers, chokes, filters, coils and reactors for various electronic applications. The components are used in test instruments, medical instrumentation, data processing and telecommunications equipment, lasers, computers and terminals.

Transfer Agent(s):

Wells Fargo Bank, N.A.
475 Sansome Street
San Francisco, California 94102

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MCRO (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1980	$ 22,531,000	$ 1,816,000
1979	18,832,000	1,680,000
1978	15,169,000	1,465,000
1977	10,899,000	563,000
1976	6,837,000	463,000

	No. of Com. Shares #	Earn. per Share #
1980	1,106,752	$1.64
1979	1.122,722	1.50
1978	1,084,348	1.35
1977	1,034,031	0.54
1976	1,033,106	0.45

# Based on the weighted average number of common shares and, when material, common share equivalents outstanding during the period.

Revenues By Line of Business

	1980	1979
Integrated circuit prods.	$ 16,615,000	$ 14,397,000
Electronic components	5,916,000	4,435,000
Total	$ 22,531,000	$ 18,832,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	5- for-4

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 9,632,000	$8.70
1979	7,654,000	6.82
1978	5,833,000	5.38

‡ Based on the weighted average number of common shares and, when material, common share equivalents outstanding during the period.

Income Account *
(000's)

Year ended	9/28/80	9/30/79
Net sales	$ 22,531	$ 18,832
Cost of sales	16,100	12,939
Expenses	2,859	2,281
Interest expense	245	284
Loss on dispos. of subsid.	—	417
Income before taxes	$ 3,327	$ 2,911
Income taxes	1,511	1,231
Net Income	$ 1,816	$ 1,680

* Included in Costs and Expenses, Depreciation and Amortization: $1,191,000 in 1980 and $1,143,000 in 1979.

Assets
(000's)

As of	9/28/80	9/30/79
Cash	$ 138	$ 398
Accts. receiv., net	4,076	3,330
* Inventories	2,378	2,234
Prepaid expenses	112	115
Current Assets	$ 6,704	$ 6,077
# Fixed assets	7.928	6,490
Deposits & other assets	122	127
Intangibles	114	124
Total Assets	$ 14,868	$ 12,818

Liabilities
(000's)

Notes payable	$ 250	$ —
Long-term debt, curr.	543	498
Accts. payable	1,051	831
Accrued payroll	565	450
Other curr. liab.	143	99
Income taxes	312	435
Curr. Liabilities	$ 2,864	$ 2,313
Long-term debt	2,236	2,779
Deferred inc. taxes	136	72
+ Common stock	1,113	1,094
Add. paid-in capital	1,070	927
Retained earnings	7,449	5,633
Total Liabilities & Shareholders' Equity	$ 14,868	$ 12,818

* At lower of cost (FIFO) or market.

# Less accumulated depreciation, and amortization.

+ $1 par value.

Statistical Summary

% Income bef. Taxes to Sales	14.77	15.46
% Net Income to Sales	8.06	8.92
% Net Income to Equity	18.85	21.95
Sales to Inventories	9.47	8.43
Working Capital	$ 3,840,000	$ 3,764,000
Current Ratio	2.34	2.63
Shareholders' Equity	$ 9,632,000	$ 7,654,000

Microdyne Corporation

Box 7213
491 Oak Road
Silver Springs Industrial Park
Ocala, Florida 32672
(904) 687-4633

Officers: Louis H. Wolcott, chairman of the board, president & chief executive officer; Donald L. Feller, exec. v.p. & secretary; Michael S. Balbes, Hank S. Lin, v.p.'s; Eugene R. Day, treasurer, controller & asst. secretary.

Directors: Louis H. Wolcott, chairman; Donald L. Feller, Vincent M. Noonan, Michael S. Balbes, Hank S. Lin, Carl H. Cahill.

Areas of Work: Electronic hardware manufacturer specializing in sophisticated radio receivers and related test equipment. These products are used in satellite commumications (data, TV and weather), electronic surveillance systems, specialized ground communications, and in the testing of airplanes, guided missiles, and automobiles.

Divisions:

Telemetry Division
P.O. Box 1527
627 Lofstrand Lane
Rockville, Maryland 20850
(301) 762-8500

Satellite TV
P.O. Box 7213
491 Oak Road
Silver Springs Shores Industrial Park
Ocala, Florida 32672
(904) 687-4633

Acquisition(s):

Antennas for Communications
486 Cypress Road
Silver Springs Shores Industrial Park
Ocala, Florida 32672
(904) 687-4121

Transfer Agent(s):

Maryland National Bank
Baltimore, Maryland

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MCDY (NASDAQ)

Number of Employees:

1980	500	1977	135
1979	185	1976	125
1978	185	2975	150

Plant Footage:

1980	82,000 sq.ft.	1977	42,000
1979	42,000	1976	42,000
1978	42,000	1975	42,000

Sales and Earnings #

	Net Sales	Net Income ‡
1980	$ 23,714,720	$ 3,204,934
1979	17,497,975	2,948,747
1978	9,309,107	1,497,800
1977	4,596,959	24,612
1976	4,342,672	40,823

	No. of Com. Shares †	Earn. per Share ‡ +
1980	3,990,369	$0.77
1979	3,939,915	0.79
1978	3,112,508	0.48

# Restated to include operations of companies acquired on a pooling of interests basis.
† Adjusted to reflect stock splits.
‡ Including extraordinary credits of $299,000 ($0.06 per share) in 1979, $276,000 ($0.09 per share) in 1978 and $100,500 ($0.03 per share) in 1976.
+ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1980	$0.067	—	3-for-2
1979	0.053	—	5-for-4
1978	0.027	—	—
1977	0.024	—	—

† Adjusted to reflect stock splits.

Common Stock Equity †

	Total Equity	Equity Per Share ‡
1980	$ 13,837,730	$3.47
1979	10,721,236	2.72
1978	3,367,698	1.08

† Restated to include operations of companies acquired on a pooling of interests basis.
‡ Adjusted to reflect stock splits.

Income Account *

Year ended	11/2/80	11/4/79 ‡
Net sales	$ 23,714,720	$ 17,497,975
Cost of sales	15,048,467	10,426,213
Expenses	2,809,068	2,088,606
Interest income	(37,036)	(148)
Income before taxes	$ 5,894,221	$ 4,983,304
Income taxes	2,689,287	2,263,557
Net Income	$ 3,204,934	$ 2,719,747
Extraord. gain	—	229,000
Net Income & Extraord. gain	$ 3,204,934	$ 2,948,747

* Included in Costs and Expenses, Depreciation: $452,729 in 1980 and 275,056 in 1979.
‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets

As of	11/2/80	11/4/79 ‡
Cash	$ 1,293,657	$ 2,005,430
U.S. Treas. bills	—	981,000
Accts. receiv., net	5,358,285	4,734,418
* Inventories	6,438,444	3,492,929
Prepaid expenses	153,641	85,268
Deferred inc. taxes	26,952	44,385
Current Assets	$ 13,270,979	$ 11,343,430
# Fixed assets	4,027,641	2,836,570
Other assets	108,488	67,833
Total assets	$ 17,407,108	$ 14,247,833

Liabilities

Notes payable	$ 146,170	$ 170,000
Cap. lease oblig., curr.	20,056	8,795
Accts. payable	1,032,109	1,116,353
Accruals	702,258	397,396
Income taxes	669,865	859,333
Curr. Liabilities	$ 2,570,458	$ 2,488,877
Long-term debt	998,920	1,037,720
+ Common stock	399,037	262,461
Add. paid-in capital	7,128,625	7,136,234
Retained earnings	6,310,068	3,322,541
Total Liabilities & Shareholders' Equity	$ 17,407,108	$ 14,247,833

‡ Restated to include operations of companies acquired on a pooling of interests basis.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	24.85	28.48
%Net Income to Sales	13.51	15.54
%Net Income to Equity	23.16	25.37
Sales to Inventories	3.68	5.01
Working Capital	$ 10,700,521	$ 8,854,553
Current Ratio	5.16	4.56
Shareholders' Equity	$ 13,837,730	$ 10,721,236

Micropac Industries, Inc.

905 East Walnut Street
Garland, Texas 75040
(214) 272-3571

Officers: Nicholas Nadolsky, chairman of the board & president; Richard T. Schlueter, v.p.-corp. administration & business development; John R. Michener, v.p. & gen. mgr.-Optoelectronics Div.; James K. Murphey, secretary; Connie Wood, assistant secretary.

Directors: Luther B. Nicholson, Nicholas Nadolsky, James K. Murphey.

Areas of Work: Engaged in the design, development, manufacture, and sale of hybrid microcircuits and optoelectronic components, assemblies and microcircuits. The technologies employed by Micropac in the production of hybrid microcircuits include thick film, thin film, solder assembly, chip and wire assembly, custom and standard. The principal markets for the products and services of Micropac are among manufacturers of both analog and digital circuits in military and industrial computers, communications equipment, electronic instrumentation and control equipment and other systems requiring microminiature electronic circuits.

Divisions:

Hybrid Circuits Division
Designs, develops and manufactures custom digital, analog and RF hybrid microcircuits incorporating both thick and thin film hybrid technologies.

Power Products Division
Designs, develops and manufactures both standard and custom hybrid power functions incorporating thick and thin film hybrid technologies.

Optoelectronics Division
Designs, develops and manufactures both standard and custom optoelectronic components, assemblies and optoelectronic/hybrid microcircuits incorporating both thick and thin film hybrid technologies.

Subsidiary:

Micropac GmbH
Bremen, Germany

Transfer Agent(s):

National Bank of Commerce
Dallas, Texas

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	152	1977	125
1979	152	1976	188
1978	123		

Plant Footage:

1980	36,300 sq. ft.	1979	31,300

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 7,319,961	$ 624,205
1979	6,218,918	646,942
1978	3,742,608	149,234
1977	4,625,349	(167,000)
1976	4,954,297	237,510

	No. of Com. Shares	Earn. per Share # ‡
1980	5,544,420	$0.11
1979	5,544,420	0.12
1978	5,494,420	0.03

1977	5,494,420	—
1976	4,853,774	0.05

(Loss)
‡ Including extraordinary credits $268,161 ($0.05 per share) in 1979, $178,738 ($0.03 per share) in 1978, $113,700 ($0.02 per share) in 1976.
# Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,523,302	$0.46
1979	1,899,097	0.34
1978	1,239,655	0.23
1977	1,090,421	0.20
1976	841,001	0.17

Income Account

Year ended Nov. 30	1980	1979
Net sales	$ 7,319,961	$ 6,218,918
Cost of sales	5,460,354	4,616,956
Expenses	820,177	855,637
Interest expense	65,814	99,383
Income bef. Taxes	$ 973,616	$ 646,942
Income taxes	323,669	268,161
Income taxes deferred	25,742	—
Net Income	$ 624,205	$ 378,781
Extraord. gain	—	268,161
Net Income & extraord. gain	$ 624,205	$ 646,942

Assets

As of Nov. 30	1980	1979
Cash	$ 482,500	$ 235.312
Accts. receiv., net	1,334,036	1,161,940
* Inventories	1,402,390	995,287
Prepaid expenses	22,181	18,889
Current Assets	$ 3,241,107	$ 2,411,428
# Fixed assets	758,858	698,834
Other assets	41,347	30,896
Total Assets	$ 4,041,312	$ 3,141,158

Liabilities

Notes payable	$ 27,781	$ 35,906
Long-term debt	80,109	97,413
Accts. payable & accruals	718,429	633,516
Progress billings	7,750	6,000
Income taxes payable	323,669	—
Curr. Liabilities	$ 1,157,738	$ 772,835
Long-term debt	184,414	264,523
Deferred income taxes	25,742	—
Deferred income	150,116	204,703
+ Common stock	555,212	555,212
Add. paid-in capital	1,355,335	3,410,857
Retained earnings (deficit)	624,205	(2,055,522)
Treasury stock	(11,450)	(11,450)
Total Liabilities & Shareholders' Equity	$ 4,041,312	$ 3,141,158

* At lower of cost (FIFO & LIFO) or net realizable value.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.30	10.40
%Net Income to Sales	8.53	6.09
%Net Income to Equity	24.74	19.95
Sales to Inventories	5.22	6.25
Working Capital	$ 2,083,369	$ 1,638,593
Current Ratio	2.80	3.12
Shareholders' Equity	$ 2,523,302	$ 1,899,097

Microsemiconductor Corporation

2830 South Fairview Street
Santa Ana, California 92704
(714) 979-8220

Officers: Richard L. Geiger, chairman of the board & treasurer; Philip Frey, Jr., president; Jiri Sandera, v.p.-engineering & secretary; Mohinder S. Batra, controller & asst. secretary; Richard L. Geiger, treasurer.

Directors: Richard L. Geiger, chairman; Philip Frey, Jr., Robert E. Rosin, Jiri Sandera, Fred Burns.

Areas of Work: Engaged in the production of diodes, rectifiers and other semiconductor products.

Subsidiaries:

Carman Glass Corporation
Manufactures high purity semiconductor glass for junction passivation and device packaging.

Microsemiconductor Ltd.
Hong Kong
Manufacturer of semiconductor products.

Transfer Agent(s):

Continental Stock Transfer & Trust Company
19 Rector Street
New York, New York 10006

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980 . . . . . . 210 1979 80

Plant Footage:

1980 . . . . . . 43,000 sq. ft. 1979 23,000

Sales and Earnings

	Net Sales	Net Income +
1980	$ 6,740,661	$ 402,465
1979	5,048,667	560,893
1978	3,402,749	247,713
1977*	2,682,158	162,862
1976	2,544,540	75,554

	No. of Com. Shares ‡	Earn. per Share ‡ +
1980	3,405,536	$0.12
1979	3,331,295	0.17
1978	3,388,372	0.08
1977	3,651,794	0.05
1976	3,774,438	0.02

* 53 weeks.
+ Including extraordinary gains of $24,960 ($0.007 per share) in 1978, $66,983 ($0.018 per share) in 1977 and $58,535 ($0.016 per share) in 1976.
‡ Based on the weighted average number of Class A and Class B common shares outstanding.

Common Stock Equity

	Total Equity ‡	Equity Per Share +
1980	2,172,188	$0.71
1979	1,789,388	0.54
1978	1,248,160	0.37
1977	1,035,970	0.28
1976	942,408	0.25

‡ After allowing for preferred stock at par value.
+ Based on the weighted average number of Class A and Class B common shares outstanding.

Income Account *

Year ended	9/28/80	9/30/79
Net sales	$ 6,740,661	$ 5,048,667
Cost of sales	5,154,109	3,942,771
Expenses	1,052,301	674,857
Gain on sale	(358,856)	(420,375)
Interest expense	267,823	172,260
Other income	(23,500)	—
Income before taxes	$ 601,784	$ 679,154
Income taxes	199,319	118,261
Net Income	$ 402,465	$ 560,893

* Included in Costs and Expenses, Depreciation and Amortization: $220,374 in 1980 and $149,301 in 1979.

Assets

As of	9/28/80	9/30/79
Cash	$ 40,553	$ 47,622
Accts. receiv., net	1,311,400	1,156,338
* Inventories	2,388,056	2,105,714
Prepaid expenses	100,391	133,842
Current Assets	$ 3,840,400	$ 3,443,516
# Fixed assets	883,865	918,954
Other assets	239,713	328,251
Intangibles	7,333	14,333
Total Assets	$ 4,971,311	$ 4,705,054

Liabilities

Notes payable	$ 608,850	$ 469,498
Long-term debt, curr.	182,500	203,818
Accts. payable & accruals	859,580	632,408
Income taxes	65,323	97,299
Dividends payable	4,916	4,916
Curr. Liabilities	$ 1,721,169	$ 1,407,939
Long-term debt	807,103	1,236,876
+ Preferred stock	270,851	270,851
Common Stock:		
+ + Class A	612,272	461,232
+ + + Class B	—	86,000
Add. paid-in capital	1,684,127	1,759,667
Retained earnings (deficit)	(108,353)	(491,153)
Treasury stock	(15,858)	(26,358)
Total Liabilities & Shareholders' Equity	$ 4,971,311	$ 4,705,054

* At lower of Cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.
+ + $0.20 par value.
+ + + $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.93	13.45
%Net Income to Sales	5.97	11.11
%Net Income to Equity	16.47	27.22
Sales to Inventories	2.82	2.40
Working Capital	$ 2,119,231	$ 2,035,577
Current Ratio	2.23	2.45
Shareholders' Equity	$ 2,443,039	$ 2,060,239

Microwave/Systems, Inc.

1 Adler Drive
East Syracuse, New York 13057
(315) 437-9951

Officers: Robert J. Harris, chairman of the board & secretary; Brantley Deaton, president & chief executive officer.

Directors: Robert J. Harris, chairman, H. Kaye Kerr, David B. Weatherup, Robert Shields, Brantley Deator.

Divisions:

Microwave Division
1 Adler Drive
East Syracuse, New York 13057
(315) 437-9951
Microwave test equipment, oscillator stabilizers.

Transfer Agent(s):

Microwave/Systems, Inc.
1 Adler Drive
East Syracuse, New York 13057

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980 12

Plant Footage:

1980	16,800 sq. ft.	1977	16,800
1979	16,800	1976	16,800
1978	16,800		

Sales and Earnings

	Net Sales	Net Income
1980	$ 281,741	$ 23.527
1979†	251,637	(25,960)
1978 + ...	299,373	(8,755)
1977	n.a.	n.a.
1976	633,611	(51,112)‡

	No. of Com. Shares	Earn. per Share
1980	500,190	$0.05
1979†	410,870	—
1978 + ...	320,873	—
1977	n.a.	n.a.
1976	284,986	—

(Loss)
n.a. not available.
‡ Including cumulative effect of accounting change of $19,745.
† Restated.
+ Unaudited.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 108,395	$0.22
1979†	73,429	0.18
1978	70,287	0.22
1977	n.a.	n.a.
1976	182,704	0.64

† Restated.

Income Account

Year ended June 30	1980	1979 †
Net sales	$ 281,741	$ 251,637
Cost of sales	139,999	131,352
Expenses	104,405	123,881
Depreciation	7,136	8,341
Interest expense	1,283	5,382
Taxes	9,489	10,729
Other income	(4,098)	(2,088)
Net Income (Loss)	$ 23,527	$ (25,960)

† Restated.

Assets

As of June 30	1980	1979†
Cash	$ 14,066	$ 6,704
Receiv., net	68,710	47,129
* Inventories	63,240	67,132
Current Assets	$ 146,016	$ 120,965
# Fixed assets	25,412	32,548
Patents	4	4
Total Assets	$ 171,432	$ 153,517

Liabilities

Notes payable	$ 18,174	$ 35,334
Accts. payable	28,134	18,586
Pay. to stockholders	5,000	10,000
Accruals	11,729	16,168
Curr. Liabilities	$ 63,037	$ 80,088
+ Common stock	50,644	41,712
Prem. on cap. stock	342,957	337,059
Add. paid-in capital	10,855	10,855
Deficit	(295,436)	(315,572)
Treasury stock	(625)	(625)
Total Liabilities & Shareholders' Equity	$ 171,432	$ 153,517

† Restated.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Net Income to Sales	8.35	—
%Net Income to Equity	21.70	—
Sales to Inventories	4.46	3.75
Working Capital	$ 82,979	$ 40,877
Current Ratio	2.32	1.51
Shareholders' Equity	$ 108,395	$ 73,429

Midland-Ross Corporation

20600 Chagrin Boulevard
Cleveland, Ohio 44122
(216) 491-8400

Officers: Harry J. Bolwell, chairman & chief exec. officer; Edward C. Gendron, president & chief operating officer; William H. Satterfield, John J. Fennessey, Jr., Bryan R. Roub, sr. v.p.'s; George A. Hommel, Frank N. Linsalata, Daniel W. Duval, G. Leo Winger, group v.p.'s; Bruce L. Engle, v.p.-personnel relations; Frank N. Fittipaldi, v.p. corp. counsel & secretary; Jerome C. Isham, v.p.-public relations; Donald F. Kimmel, v.p.-international.

Directors: Claude M.Blair, Harry J. Bolwell*, Edward C. Gendron*, Niles H. Hammink, Charles E. Hugel*, Herbert A. Spring, Jr.*, G.J. Tankersley, C.C. Tippit, Alton W. Whitehouse, Jr.*.

* Member of Executive Committee.

Areas of Work: Engaged in the manufacture of a wide range of thermal systems for the steel, metalworking, paper and other industries; foundry products for the railroad, mining and other industries; electrical products for the building construction and material handling markets; and mechanical controls for the automotive and aerospace markets.

Divisions and Subsidiaries:

Thermal Systems Group

Cameron-Waldron Division
Somerset, N.J.
Slitters, winders and coaters for paper and plastics; printing systems for books and corrugated containers; plastics extrusion, reclaim and blow-molding systems.

Robotron Division
Detroit, Mich.; Windsor, Ont.
Industrial electronic controls, including resistance welding controls, industrial power electronics and microcomputer-based industrial control systems.

Electro-Nite Co.
Philadelphia, Pa.
Expendable sensors and related instruments for metals producers; carbon graphite products, principally a wide range of fabricated shapes used in the petroleum,chemical, aerospace, construction and other industries.

Stein Heurtey
Bar-le-Duc and Lautenbach, France; Wombourne, England; Melbourne, Australia
Furnaces, heaters and heat transfer equipment for the oil and chemical industries; melting, reheating, heat transfer and coating furnaces for steel mills and ferrous and non-ferrous industries; special vacuum and atmosphere treatment furnaces; glass furnaces and lehrs; gas generators; industrial drying and metal finishing plants; industrial burners; combustion and waste treatment equipment.

PC Inc.
New York, N.Y.
Large refinery heaters and waste heat boilers for the petroleum and petrochemical industries; general application process heaters for oil and chemical plants; industrial dryers; parts washer and paint finishing systems.

Ross Air Systems Division
LaSalle, Que., Highland Park, N.J.; Caseville, Mich.; Valinhos, Brazil.
Engineered ovens, drying equipment and air processing systems for pulp, paper,film, chemicals, food, metals and other products; Kathabar air conditioning, dehumidification and decontamination systems; energy recovery equipment; magnet wire equipment and parts washer systems.

Stein Atkinson Stordy Limited
Wombourne, England
Reheat and heat-treatment furnaces for the steel, ferrous and non-ferrous industries, industrial drying and metal finishing plants; glass furnaces and lehrs; industrial burners and combustion equipment.

Stein Surface Combustion
Bar-le-Duc, France
Reheat and heat-treatment furnaces for the steel, ferrous and non-ferrous industries; engineered ovens and drying equipment for pulp, paper, film, chemicals, food, metals, wood and other products; Kathabar air conditioning, dehumidification and decontamination equipment.

Surface Division
Toledo, Ohio; Oak Park, Michigan; Toronto, Ont.; Naucalpan, Mexico.
Thermal and thermal chemical systems, including heat recovery and conservationequipment; incinerators; thermal environmental equipment; fuel-fired and electric furnaces and induction heating equipment for ferrous, non-ferrous and steel industries; glass and ceramic lehrs.

Mechanical Controls Group

Grimes [illegible]
Urbana, Ohio
Special electronic and mechanical lighting systems and controls and galley products for the aerospace and other segments of the transportation industry; flasher and timing devices; caution and warning systems; power supplies; cockpit indicators; coffee makers and warmers.

Janitrol Aero Division
Columbus, Ohio
Aircraft cabin heating; air conditioning and pressurization systems; fuel filters; fans and blowers; heat transfer equipment; electronic cooling equipment; hydraulic, fuel and pneumatic valves; motor-operated valves; thermostatic controls and pressure valves; duct joints and supports; swivel extansion joints; aircraft heaters; liquid heaters.

Midland Brake Division
Owosso, Mich.
Brake actuation equipment and systems for passenger cars, trucks, trailers andindustrial equipment; door controls for buses; zinc and aluminum die castings and assemblies; air horns, wear-resistant and stainless steel castings and grey, alloy and ductile iron castings for the automotive industry, steel mills and general industrial use; base and surface plates for dynamometer and stress testing,machine tooling and precision checking.

Nelson Metal Products Division
Grandville & Grand Rapids, Michigan
Zinc and aluminum die castings for the automotive, plumbing, furniture, appliance and communications industries.

Foundry Products Group

Bay City Foundry Division
Bay City, Michigan
Medium to large-size carbon, low alloy, wear-resistant and stainless steel castings and grey, alloy

Midland-Ross Corporation

and ductile iron castings for the automotive industry, steel mills and general industrial use; base and surface plates for dynamometer andstress testing, machine tooling and precision checking.

Capitol Castings Division
Tempe & Chandler, Arizona
Naco cast alloy steel grinding balls; iron and steel castings for wear-resistant and structural applications.

National Castings Division
Sharon, Pa.; Toledo, Ohio; Cicero and Melrose Park, Illinois.
Couplers, draft gears, freight car trucks, yokes, hopper door frames and rubber cushioning devices for railroad, mine and industrial haulage systems; alloy and carbon steel castings for earthmoving equipment, trucks, power shovels and other applications.

Unitcast Division
Sherbrooke, Que.
Carbon and low alloy steel castings for valves and piping, automotive trucks and trailers, railroad, construction, mining and agricultural equipment and the lumber and capital goods industries.

Electrical Products Group

Electrical Products Division
Pittsburgh & Fallsington, Pa.; Athens, Tn.
Construction materials; metal framing systems for supporting conduit, cable, lighting and equipment, including two-piece duct systems for the utility and communications markets; switch, outlet and floor boxes; conduit and cable fittings; hangers and supports. Industrial equipment; safety interlock receptacles, plugs and connectors; explosion-proof, vaportight and high intensity discharge lighting fixtures; electrical control devices; marine plugs, receptacles, lighting and controls; trolley power distribution systems, custom-molded thermoplastic and thermoset electrical and mechanical components.

Midtex Division
North Mankato, Mn.; Watertown, Brookings & Huron, S.D.; Seoul, Korea
Minature, power, solid state, general purpose, mercury-wetted, industrial and time delay relays for industrial controls, business machines, data processing and communications equipment, commercial electronics and energy management; Microinterface modules for microprocessor systems; transformers and couplers for telecommunications.

Russellstall Division
Livingston & Fairfield, N.J.
Safety interlock receptacles, plugs and connectors; explosion-proof, vaportight, and high intensity discharge lighting fixtures; electrical control devices; marine plugs, receptacles, lighting and conrols; trolley power distribution systems.

Metal Framing Division
Oakland, Calif.; Goshen, Ind.; Reno, Nev.
Roll-formed framing channel and fitting components for support and suspension of electrical systems in power generating stations; seismic bracing; hanger systems for electrical, mechanial, refrigeration and industrial construction.

Material Handling Division
Dawson Springs, Kentucky

Transfer Agent(s):

National City Bank
Cleveland, Ohio

Stock Exchange(s): New York

Ticker Symbol: MLR

Number of Employees:

1980	13,500	1977	10,700
1979	13,500	1976	9,200
1978	11,500		

Sales and Earnings

	Net Sales	Net Income
1980	$908,437,000	$ 43,812,000
1979	800,811,000	41,028,000
1978	578,711,000	30,970,000
1977	471,241,000	25,006,000
1976	415,913,000	22,712,000

	No. of Com. Shares	Earn. per Share ‡
1980	11,838,000	$3.70
1979	11,719,000	3.51
1978	11,428,000	2.71
1977	10,952,000	2.25
1976	10,728,000	2.03

‡ Based on the average number of common shares outstanding.

Revenues By Line of Business

	1980	1979
Foundry prods.	$231,066,000	$250,258,000
Thermal systems	375,156,000	279,570,000
Mechanical controls	167,530,000	158,611,000
Electrical prods.	134,685,000	112,372,000
Total	$908,437,000	$800,811,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.375	—	—
1979	1.20	—	—
1978	1.0125	—	2-for-1
1977	0.85	—	—
1976	0.7125	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$276,861,000	$23.38
1979	247,479,000	21.11
1978	215,463,000	18.83
1977	189,644,000	17.29

‡ After allowing for preferred stock at liquidation value.

Income Account
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 908,437	$ 800,811
Other income	20,503	13,106
Total Income	$ 928,940	$ 813,917
Cost of sales	671,187	602,424
Expenses	143,300	109,002
Depreciation & amortization	23,898	18,108
Interest expense	13,750	8,340
Minority interest	1,563	565
Income before taxes	$ 75,242	$ 75,478
Income taxes	31,430	34,450
Net Income	$ 43,812	$ 41,028

Assets
(000's)

As of Dec. 31	1980	1979
Cash & marketable secur.	$ 35,006	$ 42,179
Accts. receiv., net	162,745	150,454
* Inventories	175,998	145,724
Contracts in process	40,015	40,158
Prepaid expenses	6,173	6,286
Current Assets	$ 419,937	$ 384,801
Investments & other assets	65,792	57,925
# Fixed assets	194,649	155,394
Total Assets	$ 680,378	$ 598,120

Liabilities
(000's)

Long-term debt, curr.	$ 5,854	$ 5,519
Accounts payable	119,989	116,620
Comm. paper	—	22,459
Adv. billings	41,817	34,847
Accruals	32,087	24,722
Income taxes	18,641	14,695
Other liab.	22,222	25,966
Curr. Liabilities	$ 240,610	$ 244,828
Long-term debt	105,429	54,164
Other liab.	24,996	24,108
Deferred inc. taxes	16,142	9,330
Minority interest	12,116	12,512
+ Preferred stock:		
Series A:	2,245	2,547
Series B	1,979	3,152
+ + Common stock	59,190	58,597
Add. paid-in capital	7,752	6,316
Retained earnings	209,919	182,566
Total Liabilities & Shareholders' Equity	$ 680,378	$ 598,120

* At lower of cost (LIFO, FIFO and average) or market.
# Less accumulated depreciation.
+ No par value.
+ + $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.28	9.43
%Net Income to Sales	4.82	5.12
%Net Income to Equity	15.59	16.21
Sales to Inventories	5.16	5.50
Working Capital	$179,327,000	$139,973,000
Current Ratio	1.75	1.57
Shareholders' Equity	$281,085,000	$253,178,000

Milgray Electronics, Inc.

191 Hanse Avenue
Freeport, New York 11520
(516) 546-5600

Officers: Herbert S. Davidson, president; Martin Hyman, exec. v.p.; Bruce Berger, Richard Hyman, vice presidents; Herschel M. Weinberg, secretary; Robert Davidoff, treasurer.

Directors: Herbert S. Davidson, Robert Davidoff, Martin Hyman, Herschel M. Weinberg.

Areas of Work: Engaged in the distribution of electronic components and equipment. Operates a lab for special testing of components.

Subsidiaries:

Milgray/Cleveland, Inc.
6155 Rockside Road
Cleveland, Ohio 44131
(216) 447-1520

Milgray/Florida, Inc.
1850 Lee Road, Suite 104
Winter Park, Florida 32789
(305) 647-5747

Milgray/International, Inc.
191 Hanse Avenue
Freeport, New York 11520
(516) 546-5600

Avenue Winston Churchill, 11
BTE, 28
1180 Brussels, Belgium

5 Bartholomews
Brighton BN1 Sussex, England

Burgstrasse 20
7340 Geislingen Steige
West Germany

Milgray/Delaware Valley
3002 Greentree Executive Campus
Marlton, New Jersey 08053
(609) 983-5010

Milgray/Atlanta
17 Dunwoody Park
Atlanta, Georgia 30338

Milgray/Kansas City, Inc.
6901 West 63rd Street
Overland Park, Kansas 66202
(913) 236-8800

Milgray/New York, Inc.
191 Hanse Avenue
Freeport, New York 11520
(516) 546-6000

Milgray/Washington, Inc.
11820 Parklawn Drive
Rockville, Maryland 20852
(301) 468-6400

Milgray, Ltd.
191 Hanse Avenue
Freeport, New York 11520
(516) 546-5600

Birnbach Radio Co., Inc.
177 Hanse Avenue
Freeport, New York 11520
(516) 223-8400

Milgray/Connecticut
378 Boston Post Road
Orange, Connecticut 06477
(203) 795-0711

Transfer Agent(s):

National Bank of North America
44 Wall Street
New York, New York 10005

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 36,177,346	$ 1,253,059
1979	27,799,853	697,218
1978	21,345,124	212,998
1977	18,252,300	107,170
1976	13,095,870	(1,078,490)

	No. of Com. Shares	Earn. per Share ‡
1980	778,690	$1.61
1979	778,690	0.89
1978	778,690	0.27
1977	778,690	0.14
1976	778,690	—

(Loss)

‡ Including extraordinary credits of $144,264 ($0.19 per share) in 1980, $268,500 ($0.34 per share) in 1979, $40,800 ($0.05 per share) in 1978, $33,100 ($0.04 per share) in 1977, and $37,400 ($0.05 per share) in 1976.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,859,409	$3.67
1979	1,606,350	2.06
1978	909,132	1.17
1977	696,134	0.89
1976	588,964	0.76

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 36,177,346	$ 27,799,853
Cost of sales	26,506,928	20,582,560
Expenses	7,004,589	5,934,850
Interest expense	621,267	554,271
Income before taxes	$ 2,044,562	$ 728,172
Income taxes	935,767	299,454
Net Income	$ 1,108,795	$ 428,718
Extraord. credit	144,264	268,500
Net Income & extraord. credit	$ 1,253,059	$ 697,218

Assets

As of Dec. 31	1980	1979
Cash	$ 306,645	$ 42,172
Accts. receiv., net	4,434,218	4,095,439
* Inventories	4,976,312	4,228,228
Prepaid expenses & sundry receiv.	65,430	72,579
Current Assets	$ 9,782,605	$ 8,438,418
# Fixed assets	389,961	438,603
Other assets	81,874	65,811
Toal Assets	$ 10,254,440	$ 8,942,832

Liabilities

	1980	1979
Cash overdraft	$ —	$ 381,537
Notes payable	3,359,346	3,331,919
Long-term debt, curr.	52,687	70,528
Accts. payable	2,939,046	3,120,703
Accruals & sundry liabilities	342,083	307,768
Accrued taxes	163,779	27,884
Income taxes pay.	468,496	22,695
Curr. Liabilities	$ 7,325,437	$ 7,263,034
Long-term debt	69,594	73,448
+ Common stock	200,003	200,003
Add. paid-in capital	26,675	26,675
Retained earnings	2,683,296	1,430,237
Treasury stock	(50,565)	(50,565)
Total Liabilities & Shareholders' Equity	$ 10,254,440	$ 8,942,832

* At lower of cost (FIFO) or market (replacement cost).
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	5.65	2.62
%Net Income to Sales	3.06	1.54
%Net Income to Equity	38.78	26.69
Sales to Inventories	7.27	6.57
Working Capital	$ 2,457,168	$ 1,175,384
Current Ratio	1.34	1.16
Shareholders' Equity	$ 2,859,409	$ 1,606,350

Milton Roy Company

Suite 900
One Plaza Place N.E.
P.O. Box 12169
St. Petersburg, Florida 33733

Officers: James F. Healey, chairman of the board, president & chief executive officer; Joseph J. Deckert, v.p.-Process Control Group; H. Rodman Smith, v.p.-Laboratory Group; Robert C. Cross, v.p.-industrial relations; Edgar A. Clingerman, v.p.-finance; C. Edward Liggans, v.p.-administration; John M. McNamara, secretary & treasurer, J. Ronald Moore, controller.

Directors: Robert T. Sheen*, Earl J. Serfass, Dan L. McGurk, Edmund H. Damon, Raleigh W. Greene, James F. Healey*, John P. Horgan*, Philip A. Sprague*, John T. Subak*.

*Member of Executive Committee.

Divisions and Subsidiaries:

Laboratory Group

Automatic liquid chromatographic detectors, liquid chromatographic accessories, pollution detectors, servographic recorder, instrument miniPumps, elhygen hydrogen generators.

Laboratory Data Control Division
Riviera Beach, Florida
(305) 844-5241

Applied Science Division
State College, Pennsylvania

Ichibishi Company, Ltd. (joint venture; 50% owned)
Tokyo, Japan

Milton Roy, Great Britain Limited
Stone, Staffordshire, England

Laboratory Data Control
Shannon, Ireland

Milton Roy (Deutschland) GmbH (100%)
Hassebroth, West Germany

Process Control Group

Controlled volume pumps; combustion control equipment; gas analysis instruments; water quality systems; engineered chemical feed systems; special purpose centrifugal pumps.

Hartell Division
Ivyland, Pennsylvania

Hays-Republic Division
Michigan City, Indiana
(219) 872-5561

Flow Control Division
Ivyland, Pennsylvania

Milton Roy Industries, Ltd.
Peterborough, Ontario, Canada

Dosapro-Milton Roy S.A. (joint venture; 50% owned)
Paris, France

Control Engineering (Australia)
Pty. Ltd. (joint venture; 50% owned)
East Melbourne, Australia

Mitaka Instrument Co. Ltd. (7% owned)
(Hays Republic Instruments)
Tokyo, Japan

Acquisition(s):

Applied Science Laboratories
State College, Pennsylvania

Supplier of gas and liquid chromatography chemicals and accessories.

Transfer Agent(s):

Girard Bank
Philadephia, Pennsylvania

Stock Exchange(s): New York

Ticker Symbol: MRC

Number of Employees:

1980	897
1979	931
1978	862
1977	797
1976	779

Plant Footage:

1978 . . . . . . 451,462 sq. ft. 1977 551,889

Sales and Earnings +

	Net Sales †	Net Income
1980	$ 55,067,000	$ 3,373,000
1979	48,099,000	1,895,000
1978	42,228,000	2,023,000
1977	35,102,000	1,388,000
1976	30,515,000	2,592,000

	No. of Com. Shares ‡	Earn. per Share #
1980	1,607,000	$2.14
1979	1,509,000	0.97
1978	2,118,000	0.96
1977	2,093,000	0.67
1976	2,069,000	1.24

+ Restated to reflect change in accounting method to comply with FASB Statement No. 43 concerning vacation expenses.
† Of continuing operations only; includes services.
‡ Adjusted to reflect stock split.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Milton Roy Company

Revenues By Line of Business
(000's)

	1980	1979
Process control group	$ 39,105	$ 35,058
Laboratory group	15,962	13,041
Total	$ 55,067	$ 48,099

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.37	—	—
1979	0.23	—	3-for-2
1978	0.18	—	—
1977	0.17	—	—
1976	0.15	—	—

+ Adjusted to reflect stock split.

Common Stock Equity †

	Total Equity	Equity Per Share ‡
1980	$ 25,234,000	$15.70
1979	21,769,000	14.43
1978	29,114,000	13.75
1977	27,297,000	13.04
1976	26,126,000	12.63

† Restated to reflect change in accounting method.
‡ Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1980	1979‡
Net sales	$ 55,067,000	$ 48,099,000
Cost of sales	29,532,000	25,266,000
Expenses	21,109,000	18,636,000
Interest expense	703,000	778,000
Other income	(633,000)	(1,242,000)
Eq. in inc. of joint vent.	(808,000)	(416,000)
Income before taxes	$ 5,164,000	$ 5,077,000
Income taxes	1,791,000	1,988,000
Income from cont. oper.	$ 3,373,000	$ 3,089,000
Loss from discont. operations	—	(1,194,000)
Net Income	$ 3,373,000	$ 1,895,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,151,000 in 1980 and $882,000 in 1979.
‡ Restated to reflect change in accounting method.

Assets

As of Dec. 31	1980	1979‡
Cash	$ 490,000	$ 537,000
Short-term invest.	2,900,000	—
Accts. receiv., net	10,756,000	9,173,000
Notes receivable	657,000	827,000
* Inventories	14,235,000	12,820,000
Prepaid expenses	452,000	401,000
Deferred inc. taxes	504,000	142,000
Current Assets	$ 29,994,000	$ 23,900,000
Investments	3,187,000	2,411,000
# Fixed assets	9,169,000	8,260,000
Other assets	251,000	244,000
Intangibles	889,000	912,000
Notes receiv.	709,000	1,051,000
Total Assets	$ 44,199,000	$ 36,778,000

Liabilities

Long-term debt	$ 477,000	$ 455,000
Notes payable	592,000	208,000
Accts. payable	3,788,000	2,287,000
Accruals	4,664,000	3,605,000
Income taxes	2,201,000	750,000
Curr. Liabilities	$ 11,722,000	$ 7,305,000
Long-term debt.	7,032,000	7,509,000
Deferred inc. taxes	211,000	195,000
+ Common stock	1,607,000	1,509,000
Add. paid-in capital	4,511,000	3,950,000
Retained earnings	19,116,000	16,310,000
Total Liabilities & Shareholders' Equity	$ 44,199,000	$ 36,778,000

‡ Restated to reflect change in accounting method.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.38	—
%Net Income to Sales	6.13	—
%Net Income to Equity	13.37	8.71
Sales to Inventories	3.87	3.38
Working Capital	$ 18,272,000	$ 16,595,000
Current Ratio	2.56	3.27
Shareholders' Equity	$ 25,234,000	$ 21,769,000

Mini-Computer Systems, Inc.

399 Fairview Park Drive
Elmsford, New York 10523
(914) 592-8812

Officers: William R. Doniger, president; Marijane K. Whiteman, sr. v.p. & secretary; Stewart M. Parness, controller.

Directors: William R. Doniger, Marijane K. Whiteman, Francis L. Fraenkel, Ernest A. Kallman.

Areas of Work: Engaged in the development and marketing of minicomputer systems designed to handle normal business applications, primarily to distributors and original equipment manufacturers.

Subsidiaries:

P.C. Computer Systems, Ltd.
Montreal, Quebec, Canada

MCS France S.A.
Paris, France

MCS Mini-Computer Systems, Ltd.
London & Maidenhead, England

296541 Ontario Ltd.
Toronto, Canada.

Transfer Agent(s):

American Transfer Company
44 Beaver Street
New York, New York 10022

Stock Exchange(s): Over-the-Counter, Pacific

Ticker Symbol: MICO (NASSDAQ)

Number of Employees:

1980	189	1978	263
1979	299		

Plant Footage:

1980	68,200 sq. ft.	1978	45,925
1979	51,700		

Sales and Earnings

	Revenues	Net Income #
1980	$ 17,669,972	$ (2,720,058)
1979	18,125,473	478,703
1978	16,249,640	(936,939)
1977	13,969,000	527,482
1976	8,617,592	818,752

	No.of Com. Shares +	Earn. per Share + #
1980	873,788	$ —
1979	877,812	0.53
1978	848,177	—
1977	873,121	0.60
1976	702,151	1.16

(Loss)
+ Based on the weighted average number of shares outstanding.
# Including extraordinary gain $90,000 ($0.09 pe: share) in 1979.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 931,917	$0.95
1979	3,622,660	4.13
1978	3,120,429	3.68
1977	4,006,426	4.59
1976	3,361,283	4.79

‡ Based on the weighted average number of shares outstanding.

Income Account *

Year ended Oct. 31	1980	1979
Revenues	$ 17,669,972	$ 18,125,473
Cost of sales	12,528,935	11,526,811
Expenses	6,543,409	5,536,407
Prov. for doubtful accts.	137,097	103,199
Interest expense	1,011,589	547,353
Income (loss) before taxes	$ (2,551,058)	$ 411,703
Income taxes	169,000	23,000
Net Income (Loss)	$ (2,720,058)	$ 388,703
Extraord. gain	—	90,000
Net Income (Loss) & extraord. gain	$ (2,720,058)	$ 478,703

* Included in Costs and Expenses, Depreciation and Amortization: $524,205 in 1980 and $462,862 in 1979.

Assets

As of Oct. 31	1980	1979
Cash	$ 481,730	$ 691,245
Receiv., net	3,106,834	4,514,872
Notes receiv.	110,065	—
Refund inc. taxes	—	102,515
Deferred inc. taxes	—	133,000
*Inventories	5,384,873	5,426,066
Prepaid expenses	642,095	440,185
Current Assets	$ 9,725,597	$ 11,307,883
Accts. & notes receiv.	140,420	62,401
# Fixed assets	1,398,999	1,868,702
Notes receiv.	428,274	—
Other assets	35,558	145,331
Deferred fin. exp.	584,427	649,312
Total Assets	$ 12,313,275	$ 14,033,629

Liabilities

Long-term debt, curr.	$ 1,161,441	$ 210,649
Accts. payable	3,256,312	2,365,300
Accruals	1,639,376	1,313,091
Income taxes	103,003	135,453
Curr. Liabilities	$ 6,160,132	$ 4,024,493
Long-term debt	1,302,376	2,460,819
Debentures	3,850,000	3,850,000
Deferred inc. taxes	68,850	75,657
+ Common stock	89,961	88,295
Add. paid-in capital	2,558,089	2,530,440
Retained earnings (deficit)	(1,674,133)	1,045,925
Treasury stock	(42,000)	(42,000)
Total Liabilities & Shareholders' Equity	$ 12,313,275	$ 14,033,629

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

% Income bef. Taxes to Revenues	—	2.27
% Net Income to Revenues	—	2.14
% Net Income to Equity	—	10.73
Working Capital	$ 3,565,465	$ 7,283,390
Current Ratio	1.58	2.81
Shareholders' Equity	$ 931,917	$ 3,622,660

Minnesota Mining and Manufacturing Company

3 M Center
St. Paul, Minnesota 55144
(612) 733-1110

Officers: Lewis W. Lehr, chairman of the board & chief executive officer; John M. Pitblado, president, U.S. Operations; James A. Thwaits, president, International Operations; Robert N. Wolfe, sr. v.p.-engineering & manufacturing; Carl A. Kuhrmeyer, v.p.-administration; group vice presidents: Ernest B. Moffet, Jr.-consumer products, E. Wayne Bollmeier-electrical products, Daniel E. Denham-recording materials, Allan J. Huber-photographic, printing, industrial graphics & static control systems, Allen F. Jacobson-tape and allied products, Erwin W. Brown-business products, John C. Landen-traffic control, safety systems & advertising services, L.D. DeSimone-abrasives, adhesives, building service & chemicals, Darrell H. Boyd-decorative & protective products, John C. Landen-traffic control, safety systems & advertising services; Ralph D. Ebbott, v.p. & treasurer; Arlo D. Levi, secretary & assoc. general counsel; vice presidents: Robert M. Adams-research & development, Richard W. Brust-taxes, Charlton Dietz-legal affairs & general counsel, Donald E. Garretson-finance; Stanley W. Thiele-human resources; Lauren L. Morin-mfg., Jerry E. Robertson-health care products & service, Carlos W. Luis-public affairs, Walter S. Meyers-marketing, M.J. Monteiro-European operations, Gerald G. Mueller-engineering, William E. Olson-purchasing & transportation, John J. Verstraete-public relations, George L. Hegg-Australia-Asia-Canada, John W. Pearson-development, James A. Searles, controller; Jack J. Erdman, Dwight A. Peterson, Robert H. Stenberg, asst. treasurers; Donald O. Hambleton, Thomas J. Lyons, James A. Smith, Raymond E. Johnson, asst. secretaries.

Directors: Raymond H. Herzog*, Robert M. Adams*, Joseph W. Barr, James H. Binger, Charlton Dietz*, Carl A. Kuhrmeyer*, Lewis W. Lehr*, Lee L. Morgan, John G. Ordway, Jr., Norma T. Pace, Peter G. Peterson, John M. Pitblado, James A. Thwaits*, Robert N. Wolfe*.

*Member of Executive Committee.

Areas of Work: 3M manufactures a diversified product line for use in business, industry and home. Products fall into the following group categories: coated abrasives; anti-slip surfacing materials; adhesives, coatings and sealers; specialty chemicals; low-density abrasives for floor maintenance, industrial and household uses; decorative films; reflective sheeting; highway signing and traffic control systems; magnetic tape recorders, voice logging and data acquisition systems, video broadcast equipment, data recording cartridges and drives, test instruments; roofing granules, artificial surfacing materials; magnetic recording tapes and computer disk packs; advanced recording systems; precision technical ceramics; electrical insulating materials: connecting systems; flexible printed circuits and related materials; corrosion-protection resins; visual communications systems and supplies; carbonless papers; offset printing plates and related printing equipment and materials; office copying equipment and supplies; microfilm equipment and supplies including readerprinters, cameras and computer-output-microfilm systems; overhead projection systems, sound projection systems, data and test scoring equipment, light control materials; photographic products; pressure-sensitive tapes for industrial, commercial and home uses; medical products, including surgical tapes, drapes and masks; ethical pharmaceuticals; fastening systems; solar control films; reinforced plastics, disposable and reuseable respirators.

Divisions:

Adhesives, Coatings & Sealers Division
Advertising Service Division
Automotive Trades Division
Building Service & Cleaning Products Division
Business Products Sales Division
Carbonless/Related Products Division
Chemical Resources Division
Commercial Chemicals Division
Commercial Tape Division
Consumer Product and Service Enterprises
Copying Products Division
Data Recording Products Division
Decorative Products Division
Electronic Products Division
Electro-Products Division
Film and Allied Products Division
Household and Hardware Products Division
Industrial Abrasives Division
Industrial Electrical Products Division
Industrial Graphics Division
Industrial Mineral Products Division
Industrial Specialties Division
Industrial Tape Division
Magnetic Audio/Video Products Division
Medical Products Division
Micrographic Products Division
Mincom Division
New Business Ventures Division
Occupational Health and Safety Products Division
Packaging Systems Division
Photographic Products Division
Printing Products Division
Safety & Security Systems Division
Surgical Products Division
Technical Ceramic Products Division
Tel Comm Products Division
Traffic Control Materials Division
Transportation and Commercial Graphics Division
Visual Products Division

Subsidiaries:

Armorlite, Inc.
130 North Bingham Drive
San Marcos, California 92069

Media Networks, Inc.
600 Third Avenue
New York, New York 10016

Dynacolor Corporation
3M Center
St. Paul, Minnesota 55101

National Advertising Company
6850 South Harlem Avenue
Argo, Illinois 60501

Prehler Electrical Insulation Company
2300 North Kilbourn Avenue
Chicago, Illinois 60639

Riker Laboratories, Inc.
19901 Nordhoff Street
Northridge, California 91324

3M Interamerica, Inc.
3M Center
St. Paul, Minnesota 55101

3M Middle East, Inc.
3M Center
St. Paul, Minnesota 55101

3M Argentina S.A.C.I.F.I.A.
Buenos Aires, Argentina

3M Australia Pty. Limited
Sydney, Australia

3M Oesterreich GmbH
Vienna, Austria

3M Belgium S.A./N.V.
Brussels, Belgium

3M do Brasil Limitada
S[illegible] Paulo, Brazil

3M Canada Inc.
London, Ontario, Canada

3M A/S
Glostrup, Denmark

Minnesota 3M Laboratories Limited
Loughborough, England

3M United Kingdom Limited
London, England

Suomen 3M Oy
Helsinki, Finland

Laboratoires Riker, S.A.
Pithiviers, France

3M France, S.A.
Paris, France

3M Deutschland GmbH
Dusseldorf, Germany

3M Italia S.p.A.
Milan, Italy

3M Mexico, S.A. de C.V.
Mexico City, Mexico

3M Nederland B.V.
Leiden, Netherlands

3M Norge A/S
Oslo, Norway

3M South Africa (Proprietary) Limited
Johannesburg, South Africa

3M Espana, S.A.
Madrid, Spain

3M Svenska AB
Sollentuna, Sweden

3M (East) AG
Zug, Switzerland

3M (Switzerland) A.G.
Zurich, Switzerland

3M Manufacturera Venezuela, S.A.
Caracas, Venezuela

Eastern Heights State Bank of
Saint Paul (not consolidated)
2100 Wilson Avenue
St. Paul, Minnesota 55119

Sumitomo 3M Limited (50% owned)
(not consolidated)
Tokyo, Japan

Acquisition(s):

Comtal Corporation (April, 1980)
Pasadena, California

Transfer Agent(s):

First Trust Company of Saint Paul
(common stock, notes & debentures)
W-555
First National Bank Building
St. Paul, Minnesota 55101

Morgan Guaranty Trust Company of New York
(common stock)
30 West Broadway
New York, New York 10015

Manufacturers Hanover Trust Company
(notes & debentures)
40 Wall Street
New York, New York 10015

Stock Exchange(s): New York, Pacific, Midwest, Paris, Amsterdam, Switzerland, Germany

Ticker Symbol: MMM

Number of Employees:

1980	86,898	1977	81,359
1979	87,738	1976	79,522
1978	84,971		

Sales and Earnings

	Net Sales ‡ (000's)	Net Income (000's)
1980	$ 6,079,540	$ 678,029
1979	5,440,370	655,211

Minnesota Mining and Manufacturing Company

1978	4,661,666	562,983
1977	3,980,326	412,946
1976	3,514,259	338,520

	No. of Com. Shares	Earn. per Share #
1980	117,303,037	$5.78
1979	117,296,499	5.59
1978	117,185,298	4.83
1977	116,042,324	3.57
1976	115,397,509	2.94

‡ Includes other operating revenues.
# Based on average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Abrasives	$ 866,000	$ 821,000
Decorative	284,000	311,000
Business products	1,076,000	1,000,000
Consumer	396,000	338,000
Electrical	543,000	490,000
Health care	499,000	409,000
Photographic	706,000	550,000
Recording materials	533,000	460,000
Tape & allied	777,000	694,000
Traffic control	376,000	355,000
Eliminations & other	24,000	12,000
Total	$ 6,080,000	$ 5,440,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.80	—	—
1979	2.40	—	—
1978	2.00	—	—
1977	1.70	—	—
1976	1.45	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1980	$ 3,294,639	$28.09
1979	2,950,472	25.15
1978	2,591,553	22.12
1977	2,263,294	19.50
1976	2,045,754	17.73

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales & revenues	$ 6,079,540	$ 5,440,370
Cost of sales	3,388,462	2,927,277
Expenses	1,491,634	1,334,222
Interest expense	61,936	56,385
Other income	(57,521)	(50,725)
Income before taxes	$ 1,195,029	$ 1,173,211
Income taxes	517,000	518,000
Net Income	$ 678,029	$ 655,211

* Included in Costs and Expenses, Depreciation and Amortization: $253,314,000 in 1980 and $221,680,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash & short-term invest.	$ 209,307	$ 263,102
Accts. receiv., net	1,102,066	959,548
* Inventories	1,436,285	1,309,960
Other assets	124,469	115,374
Current Assets	$ 2,872,127	$ 2,647,984
Investments	228,806	225,067
# Fixed assets	1,895,007	1,657,447
Defer. charges	49,732	44,390
Total Assets	$ 5,045,672	$ 4,574,888

Liabilities
(000's)

Loans payable	$ 96,955	$ 78,462
Long-term debt, curr.	13,030	13,247
Accts. payable & accruals	759,481	652,413
Income taxes	193,078	226,205
Curr. Liabilities	$ 1,062,544	$ 970,327
Long-term debt	346,153	356,712
Deferred inc. taxes	190,000	155,000
Other liabilities	152,336	142,377
+ Common stock	296,014	295,796
Retained earnings	3,034,821	2,692,683
Treasury stock	(36,196)	(38,007)
Total Liabilities & Shareholders' Equity	$ 5,045,672	$ 4,574,888

* At lower of cost (FIFO) or market (lower of replacement cost or realizable value.)
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	19.66	21.56
%Net Income to Sales	11.15	12.04
%Net Income to Equity	20.58	22.21
Working Capital	$1,809,583,000	$1,677,657,000
Current Ratio	2.70	2.73
Shareholders' Equity	$3,294,639,000	$2,950,472,000

Missouri Research Laboratories, Inc.

3800 West Clay Street
St. Charles, Missouri 63301
(314) 946-6900

Officers: Walter Funk, Jr., chairman of the board & chief executive officer; Jerome E. Adams, president & chief admn. officer; Lawrence C. Grazevich, vice chairman & chief operating officer; Ralph H. Anderson, sr. v.p.; Alan G. Johnson, secretary.

Directors: Walter Funk, Jr. chairman; Robert J. Forthofer, William W. Halliday, Max Diamant, John H. Pahlmann, Lawrence C. Grazevich, Jerome E. Adams, Alan G. Johnson, Roswell Messing, Jr.

Divisions:

Electronics Group
Albuquerque, New Mexico

Manufactures high quality printed circuit boards and a wide variety of electronic assemblies. Offers contract personnel services including engineers, technicians, draftsmen and illustrators.

Utility Products & Services Group
Hoffman, Illinois

Manufactures and sells a line of mobile power equipment containing electrical generating capacity and other support equipment used by underground utility system construction and maintenance crews. These products and services are sold under the trade styles "Hesco" and "Sepco". Similar equipment is also sold to municipalities for use as standby power in connection with waste water treatment and sewage systems.

Industrial Equipment Group
St. Charles, Missouri

Designs, manufactures and markets a line of material handling attachments for lift trucks. These products are sold under the trade style HMC Attachments through manufacturers representatives and lift truck equipment dealers throughout theU.S. In addition, the group performs general job shop fabrication services involving machining, welding, and sheetmetal forming operations.

Acquisition(s):

Atlas Attachments
Manufactures lift truck attachments.

Transfer Agent(s):

Mercantile Bank
St. Louis, Missouri

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MRES (NASDAQ)

Number of Employees:

1980	340	1979	348

Plant Footage:

1980	286,000 sq. ft.	1978	273,000
1979	286,000	1977	258,000

Sales and Earnings

	Net Sales +	Net Income †
1981	$ 15,546,000	$ 769,000
1980	14,220,000	905,000
1979	11,137,000	792,000
1978	7,911,000	475,000
1977	6,873,000	192,000

	No. of Com. Share ‡	Earn. per Share † ‡
1981	2,259,000	$0.34
1980	2,229,000	0.41
1979	2,127,000	0.37
1978	2,127,000	0.22
1977	2,130,000	0.09

+ Of continuing operations only.
† Including extraordinary gains of $125,000 ($0.06 per share) in 1978 and $81,000 ($0.04 per share) in 1977.
‡ Based on the weighted average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$0.13	—	—
1980	0.09	—	—
1979	0.05	—	—
1978	0.03	—	—
1977	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share †
1981	$ 4,522,000	$2.00
1980	3,932,000	1.76
1979	3,060,000	1.44
1978	2,372,000	1.12

† Based on the weighted average number of common shares outstanding.

Income Account *
(000's)

Year ended Jan. 31	1981	1980
Net sales	$ 15,546	$ 14,220
Cost of sales	11,905	10,870
Expenses	2,218	1,767
Interest expense	58	39
Interest income	(44)	(45)
Gain on dispos. of fixed assets	(36)	(31)
Income before taxes	$ 1,445	$ 1,620
Income taxes	676	715
Net Income	$ 769	$ 905

* Included in Costs and Expenses, Depreciation and Amortization: $326,000 in 1981 and $180,000 in 1980.

Assets
(000's)

As of Jan. 31	1981	1980
Cash	$ 320	$ 323
Cert. of deposit	500	400
Accts. receiv., net	2,539	1,835
* Inventories	2,006	2,006
Prepaid expenses	65	41
Current Assets	$ 5,490	$ 4,605
# Fixed assets	1,549	1,204

Other assets & defer. charges	113	112
Total Assets	$ 7,152	$ 5,921

Liabilities
(000's)

Long-term debt. curr.	$ 126	$ 59
Advance payments	—	20
Accts. payable	829	884
Accruals	272	197
Accrued payroll	437	446
Income taxes	114	91
Curr. Liabilities	$ 1,778	$ 1,697
Long-term debt	852	292
+ Common stock	229	223
Add. paid-in capial	1,307	1,198
Retained earnings	2,988	2,513
Treasury stock	(2)	(2)
Total Liabilities & Shareholders' Equity	$ 7,152	$ 5,921

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income before Taxes to Sales	9.29	11.39
%Net Income to Sales	4.95	6.36
%Net Income to Equity	17.01	23.02
Sales to Inventories	7.75	7.09
Working Capital	$ 3,712,000	$ 2,908,000
Current Ratio	3.09	2.71
Shareholders' Equity	$ 4,522,000	$ 3,932,000

MITE Corporation

446 Blake Street
New Haven, Connecticut 06515
(203) 387-2572

Officers: Robert J. Blinken, chairman of the board & chief executive officer; Leo J. Brancato, president; William P. Ryan, Richard R. Swanson, sr. vice presidents; Karl Epple, Frank A. Stratton, Stewart Hampton, vice presidents; Marcel J. Lamy, vice president, controller & asst. treasurer; Stephen L. Dinces, secretary; M.H. Blinken, treasurer; Louis Cetran, assistant vice president.

Directors: Robert J. Blinken*, Alan J. Blinken, Donald M. Blinken*, Melvin C. Steen*, Leo J. Brancato*, Richard R. Swanson, William P. Ryan, Kenneth J. Oberman.

*Member of the Executive Committee.

Divisions and Subsidiaries:

Industrial Components Group
Provides broad line of specialty fastener products and hardware items, such asinserts, fasteners and electronic hardware.

Insert Products Division
Heli-Coil, Dodge, Kelox & Tapsert Divisions
Shelter Rock Lane
Danbury, Connecticut 06810
(203) 743-7651

Gripco Fastener Division
South Whitley, Indiana 56787
(219) 723-7651

Montpelier, Indiana 47359
(317) 728-1400

Amatom Electronic Hardware Division
446 Blake Street
New Haven, Connecticut 06515
(203) 397-3311

Special Products Group
Precision spindles, time stamps and recorders, perforators, hydraulic control devices and attachments for home sewing machines.

Stromberg Group
446 Blake Street
New Haven, Connecticut 06515
(203) 387-2572
Attendance and job recorders, time stamps, and clock systems.

Gar-Kenyon Controls Division
446 Blake Street
New Haven, Connecticut 06515
(203) 387-2572
Designs and manufactures hydraulic valves and controls, used principally in the aircraft industry.

A.B.E.
446 Blake Street
New Haven, Connecticut 06515
(203) 387-2572
Manufactures perforators which are used to punch dates and other information through single or multiple copy business forms and documents.

Whitnon Manufacturing Company
Route 6 & New Britain Ave.
Farmington, Connecticut 06032
(203) 677-2608
Design and manufacture of high precision machine spindles, hydrostatic bearings and associated products.

Griest Division
446 Blake Street
New Haven, Connecticut 06515
(203) 387-2572
Attachments for home sewing machines.

Transfer Agent(s):

The Union Trust Company
304 Main Street
Stamford, Connecticut 06901

National Bank of North America
44 Wall Street
New York, New York

Stock Exchange(s): American

Ticker Symbol: MTE

Number of Employees:

1981	1,077	1978	993
1980	1,101	1977	1,012
1979	1,035		

Plant Footage:

1980	567,000 sq.ft.	1977	480,000
1979	480,000	1976	480,000
1978	480,000		

Sales and Earnings

	Net Sales	Net Income
1981	$ 63,419,509	$ 6,285,983
1980	66,322,197	6,843,533
1979	59,399,926	5,916,258
1978	48,202,940	4,107,502
1977	41,271,015	3,916,361

	No. of Com. Shares	Earn. per Share ‡
1981	1,956,961	$3.04
1980	2,052,412	3.12
1979	2,126,217	2.56
1978	2,232,623	1.76
1977	2,238,343	1.18

‡ Based on the average number of shares outstanding assuming full dilution.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$0.60	—	—
1980	0.55	—	—
1979	0.37	—	—
1978	0.24	—	—
1977	0.18	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 30,484,767	$15.58
1980	27,013,443	13.16
1979	23,933,238‡	11.26
1978	20,867,269‡	9.35
1977	17,457,282‡	7.80

‡ After allowing for preferred stock at liquidation preference of $12 per share.

Income Account *

Year ended	2/28/81	2/29/80
Net sales	$ 63,419,509	$ 66,332,197
Cost of sales	37,377,453	38,675,248
Expenses	14,765,048	14,037,279
Interest expense	2,212,102	1,547,115
Other income	(2,374,077)	(1,306,978)
Income before taxes	$ 11,438,983	$ 13,379,533
Income taxes	5,153,000	6,536,533
Net Income	$ 6,285,983	$ 6,843,533

*Included in Costs and Expenses, Depreciation and Amortization: $1,941,797 in 1981 and $1,533,133 in 1979.

Assets

As of	2/28/81	2/28/80
Cash & invest.	$ 15,326,201	$ 9,538,471
Marketable securities	103,700	305,300
Accts. receiv., net	9,608,833	8,549,658
* Inventories	12,630,966	14,667,163
Prepaid expenses	92,807	88,567
Current Assets	$ 37,762,507	$ 33,149,159
# Fixed assets	16,693,541	11,490,425
Other assets	451,664	356,223
Defer. charges	1,145,381	1,101,855
Intangibles	5,555,253	5,562,453
Total Assets	$ 61,608,346	$ 51,660,115

Liabilities

Long-term debt, curr.	$ 792,146	$ 575,000
Accts. payable & accruals	6,302,962	6,817,004
Income taxes	1,344,876	1,794,437
Curr. Liabilities	$ 8,439,984	$ 9,186,441
Long-term debt	20,664,314	13,787,398
Deferred compensation	928,281	751,833
Deferred inc. taxes	1,091,000	921,000
+ + Common stock	1,973,511	2,102,843
Add. paid-in earnings	1,947,321	2,074,936
Retained earnings	26,911,440	23,890,277
Total Liabilities & Shareholders' Equity	$ 61,608,346	$ 51,660,115

* At lower of cost (LIFO and FIFO) or market.
# Less accumulated depreciation.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	18.04	20.17
%Net Income to Sales	9.91	10.32
%Net Income to Equity	20.62	25.33
Sales to Inventories	5.02	4.52
Working Capital	$ 29,323,523	$ 23,962,718
Current Ratio	4.47	3.61
Shareholders' Equity	$ 30,484,767	$ 27,013,443

Modern Controls, Inc.

19228 Industrial Boulevard
Elk River, Minnesota 55330
(612) 441-5610

Officers: Howard L. Demorest, president, treasurer & chief executive officer; William N. Mayer, executive vice president-operations; Rex C. Wood, vice president; Trygve Hauge, secretary; Vernon J. Vander Weide, asst. secretary.

Directors: Howard L. Demorest, Trygve A. Hauge, Francis Faber, William N. Mayer, Dean B. Chenoweth; Sidney R. Cohen.

Areas of Work: Manufactures and markets precision instruments used for quality control, production control, and testing purposes, primarily in the food, pharmaceutical, chemical, and packaging industries. Also manufactures and markets high-speed capsule sorting and weighing systems for the pharmaceutical industry.

Transfer Agent(s):

First Bank Minneapolis
Minneapolis, Minnesota 55480

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MOCO (NASDAQ)

Number of Employees:

1980	35	1978	18
1979	38		

Plant Footage:

1980	20,000 sq. ft.	178	10,000
1979	20,000		

Sales and Earnings

	Net Sales +	Net Income ‡
1981	$ 2,171,533	$ (355,392)
1980	1,537,640	74,782
1979	1,075,707	(155,438)
1978	1,027,888	(98,966)
1977	1,022,807	51,867

	No. of Com. Shares	Earn. per Share # ‡
1981	1,601,614	$ —
1980	1,586,200	0.60
1979	1,030,200	—
1978	1,015,950	—
1977	1,010,700	0.05

(Loss)
+ Of continuing operations only.
‡ Including extraordinary credit of $18,364 ($0.01 per share) in 1980.
# Adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	—	—	—
1980	—	—	—
1979	—	—	—
1978	—	—	—
1977	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 1,094,429	$0.68
1980	1,448,946	0.91
1979	234,628	0.23
1978	383,160	0.38
1977	480,593	0.48

Income Account *

Year ended Jan. 31	1981	1980
Net sales	$ 2,171,533	$ 1,537,640
Cost of sales	822,591	594,207
Research & development costs	92,300	62,194
Expenses	795,656	459,918
Other income	(63,841)	(4,138)
Income before taxes	$ 524,827	$ 425,459
Income taxes	220,068	184,897
Income-cont. oper.	$ 304,759	$ 240,562
Loss-dicont. oper.	(660,151)	(184,144)
Net Income (Loss)	$ (355,392)	$ 56,418
Extraord. gain	—	18,364
Net Income (Loss) & extraord. gain	$ (355,392)	$ 74,782

* Included in Costs and Expenses, Depreciation and Amortization: $51,553 in 1981 and $35,530 in 1980.

Assets

As of Jan. 31	1981	1980
Cash	$ 35,399	$ 108,321
Temp. investments	400,000	1,030,000
Accts. receiv., net	272,787	197,016
* Inventories	343,198	207,146
Prepaid expenses	61,847	21,247
Prepaid inc. taxes	1,517	428
Current Assets	$ 1,114,748	$ 1,564,158
# Fixed assets	341,395	343,908
Other assets	181,571	78,776
Total Assets	$ 1,637,714	$ 1,986,842

Liabilities

Notes payable	$ 16,559	$ 12,171
Accts. payable	156,425	171,050
Accruals	125,302	89,175
Warranty costs	7,000	6,000
Income taxes	100	1,707
Curr. Liabilities	$ 305,386	$ 280,103
Mortgage payable	4,477	5,980
Capital lease obligation	195,675	210,113
Policy loans	37,747	41,700
+ Common stock	160,570	158,920
Add. paid-in capital	1,351,937	1,348,920
Retained earnings	(411,766)	(56,374)
Treasury stock	(6,312)	(2,375)
Total Liabilities & Shareholders' Equity	$ 1,637,714	$ 1,986,842

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Net Income to Equity	—	3.89
Sales to Inventories	6.33	7.42
Working Capital	$ 809,362	$ 1,284,055
Current Ratio	3.65	5.58
Shareholders' Equity	$ 1,094,429	$ 1,448,946

Modular Computer Systems, Inc.

1650 W. McNab Road
Ft. Lauderdale, Florida 33310
(305) 974-1380

Officers: Alexander W. Giles, Jr., chairman & chief executive officer; Gabriel A. Rosica, president & chief operating officer; Richard W. Adams, v.p.-operations; Raymond C. Mattson, v.p.-research & development; Hollis P. Nelson, v.p.-human resources; John M. O'Brien, v.p.-marketing; John . Pitt, v.p.-int'l; Edward L. Savage, v.p.-finance; George P. Cavenas, controller; John J. Dooley, treasurer; Bernard M. Herbenick, general counsel & secretary.

Directors: Alexander W. Giles, Jr., Nathan Cohn, Horst Nasko, Gabriel A. Rosica, Edward L. Savage, Joost Freiherr Von Wrangel, William Hambrecht, John C. Lobb, William E. Mayer, David T. Morgenthaler, Edward D. Zimmer.

Areas of Work: Engaged in the development, manufacture and marketing of computer systems and software (programs) for the measurement and control market, including process measurement and control, laboratory automation, production control and monitoring, and energy demand and monitoring. Offers computer systems for the data communications market, including front-end communications processors, line and terminal concentrators, message switching, inquiry/response and remote job entry.

Subsidiaries:

Modcomp C.A.
Avenida Principal la Floresta
Quinta Maria Urb. la Floresta
Codigo Postal 1060
Caracas, Venezuela
Modular Computer Services
Molly Millars Lane Wokingham
Berkshire RG11 2QT England

Modular Computer Services
357 Avenue de la Couronne
1050 Brussels, Belgium

Modcomp France SARL
17 Rue des Solets SILIC 94513
Rungis CEDEX 115 Paris
France

ATM Computer GmbH (25% owned)
Handelstrasse 5
8000 Munich 80

Modular Computer Systems
Zeelantlaan No 11
3526AK Utrecht
Netherlands

Modular Computer Services
Scandinavia AB
Kistagangen 2
163 42 Spanga/Stockholm
Sweden

Modular Computer Systems, Inc.
3027 Harvester Road Burlington
Toronto, Ontario L7N 3J9
Canada
(416) 639-1103

Transfer Agent(s):

First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): New York

Ticker Symbol: MSY

Number of Employees:

1980	1,481	1977	1,114
1979	1,302	1976	896
1978	1,241		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 81,088,000	$ 3,810,000
1979	71,804,000	4,670,000
1978	64,517,000	4,423,000
1977	54,768,000	4,261,000
1976	44,967,000	(649,000)

	No. of Com. Shares	Earn per Share #‡
1980	5,092,923	$0.81
1979	3,264,559	1.40
1978	3,166,044	1.36
1977	3,083,508	1.39
1976	2,942,288	—

(Loss)
‡ Including extraordinary loss of $387,000 ($0.12 per share) in 1978 and extraordinary gains of $410,000 ($0.13 per share) in 1977 and $460,000 ($0.16 per share) in 1976.
# Based on weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 63,552,000	$12.48
1979	49,672,000	11.40
1978	15,029,000	4.75
1977	9,614,000	3.12
1976	4,392,000	1.49

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 81,088	$ 71,804
Cost of sales	48,584	40,070
Expenses	27,061	21,154
Interest expense	1,419	2,660
Income before taxes	$ 5,754	$ 7,920
Income taxes	1,944	3,250
Net Income	$ 3,810	$ 4,670

* Included in Costs and Expenses, Depreciation and Amortization: $2,610,000 in 1980 and $2,310,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 2,398	$ 670
Accts. receiv., net	28,484	22,155
* Inventories	25,796	21,043
Prepaid expenses	1,432	423
Current Assets	$ 67,307	$ 74,291
# Fixed assets	9,580	8,993
Other assets	2,820	1,742
Total Assets	$ 79,707	$ 85,026

Liabilities
(000's)

Notes payable	$ 1,652	$ 12,298
Long-term debt, curr.	384	332
Accts. payable	7,152	4,437
Income taxes	753	1,613
Accruals	3,850	4,287
Advance payments	645	1,849
Curr. Liabilities	$ 14,436	$ 24,816
Long-term debt	1,037	10,053
Deferred inc. taxes	682	485
+ Common stock	255	163
Common stock subscribed	—	28,500
Add. paid-in capital	50,345	12,001
Retained earnings	12,999	9,189
Receiv. & def. comp.	(46)	(180)
Treasury stock	(1)	(1)
Total Liabilities & Shareholders' Equity	$ 79,707	$ 85,026

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.05 par value.

Statistical Summary

% Income bef. Taxes to Sales	7.10	11.03
% Net Income to Sales	4.70	6.50
% Net Income to Equity	6.00	9.40
Sales to Inventories	3.14	3.41
Working Capital	$ 52,871,000	$ 49,475,000
Current Ratio	4.66	2.99
Shareholders' Equity	$ 63,552,000	$ 49,672,000

Mohawk Data Sciences Corp.

1599 Littleton Road
Parsippany, New Jersey 07054
(201) 540-9080

Officers: Ralph H. O'Brien, chairman of the board, president & chief exec. officer; R. Watson Bell, sr. v.p. & chief financial officer; Douglas A. Davidson, sr. v.p.-marketing; William J. Mann, sr. v.p.-operations; Herbert G. Price, sr. v.p.-product development; James J. Byrne, v.p.-U.S. sales; Peter S. Anderson, v.p.-marketing development; N. David Wheeler, v.p.-engineering & software development; John A. Carr, v.p.& pres., Trivex, Inc.; Stuart Goldsmith, v.p.-corp. planning & development; Robert J. Hingre, v.p.-manufacturing; M. Robert Ricci, v.p.-industrial relations; F. William Stamper, v.p.-product planning & program management; Robert E. Sundius, v.p.-reliability & quality assurance; John C. Walters, v.p.-legal & secretary; Gerald R. Birr, treasurer; Joe R. Brooks, v.p. & controller; Frank Elias, dir. of procurement, Plant I; Raymond Frezza, purchasing agent, Plant I; Plant I Marketing Mgrs.; Barbara Nichols, Michael Morris; Plant II Manufacturing Production Mgrs.; Frank Fisher, Eugene Emrich, Richard Pedro; Manufacturing Production Mgrs., Harter Street Plant; John Smith, Michael Paladino; Manufacturing Production Mgr., German Street Plant; Raymond Doland; Plant I Engineering Mgrs.; James Minturn, Russ Soule, John Henderson, Joseph Bogdan, Dorothy Stanley, Peter Mathews, Doyle Taylor.

Directors: Ralph H. O'Brien, chairman; Frank B. Maher, R. Watson Bell, William E. McKenna, James W. Hart, Arthur F. Flaherty, L. Donald Horne.

Areas of Work: Manufacturers of electronic data processing equipment, including key to disk systems, peripheral processing systems, peripherals, distributed processing systems and intelligent terminals for end user markets as well as tape units, cartridge transports for OEM markets.

Subsidiaries:

MDS International Service Corp.
Mohawk Data Sciences Industrial Corp.
MDS Capital Corporation

- Mohawk Data Sciences-Canada Limited
- MDS-Belgium, S.A.
- MDS A/S (Denmark)
- M.D.S.-France, S.A.
- MDS Deutschland GmbH (West Germany)
- MDS-Data Processing Limited (Great Britain)
- M.D.S. Limited (Ireland)
- M.D.S. Italia S.p.A.
- MDS Nederland N.V.
- MDS Corporation Zurich AG (Switzerland)
- MDS-Svenska, AB
- MDS South Africa (Pty.) Ltd.

Trivex, Inc.
Costa Mesa, California
Engaged in the manufacture of data entry, communications and editing terminals.

Transfer Agent(s):

The First National Bank of Boston
Post Office Box 644
Boston, Massachusetts 02102

Stock Exchange(s): New York

Ticker Symbol: MDS

Number of Employees:

1979	4,000	1976	3,800
1978	4,000	1975	4,200
1977	3,750		

Sales and Earnings

	Revenues	Net Income ‡
1979	$178,262,000	$ 9,553,000
1978	152,629,000	6,259,000
1977	146,057,000	4,553,000
1976	161,672,000	13,560,000
1975	170,109,000	(21,677,000)

	No. of Com. Shares	Earn. per Share + ‡
1979	8,854,633	$1.10
1978	7,471,437	0.82
1977	7,399,507	0.60
1976	6,961,003	1.92
1975	6,241,591	—

(Loss)
‡ Including extraordinary gains of $1,880,000 ($0.25 per share) in 1977 and $11,455 ($1.62 per share) in 1976.
+ Based on average number of shares.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 62,673,000	$7.08
1978	39,759,000	5.32
1977	33,151,000	4.48
1976	27,285,000	3.92
1975	13,377,000	2.14

Income Account *
(000's)

Year ended April 30	1979	1978
Net sales	$ 66,908	$ 48,690
Rentals & other income	111,354	103,939
Revenues	$ 178,262	$ 152,629
Cost of sales	30,191	23,432
Cost of rentals & services	63,554	58,915
Expenses	62,173	51,694
Interest expense	6,148	6,839
Translation losses	94	401
Other expense (income)	(517)	28
Income before taxes	$ 16,619	$ 11,320
Income taxes	7,066	5,819
Net Income	$ 9,553	$ 5,501
Extraord. gain	—	758
Net Income & extraord. gain	$ 9,553	$ 6,259

* Included in Costs and Expenses, Depreciation and Amortization: $26,366,000 in 1979 and $28,619,000 in 1978.

Assets
(000's)

As of April 30	1979	1978
Cash	$ 6,405	$ 6,546
Accts. receiv., net	29,758	22,534
Investment	13,359	5,145
* Inventories	26,336	26,073
# Rental equipment	80,209	76,124
# Fixed assets	14,502	13,111
Intangibles	7,887	4,386
Fixed assets	5,336	3,173
Total Assets	$ 183,792	$ 157,092

Liabilities
(000's)

Accts. payable	$ 7,994	$ 6,397
Accrued payroll	3,496	3,078
Accrued taxes	5,134	4,120
Income taxes	7,110	5,626
Accruals	8,801	7,894
Long-term debts	74,725	80,189
Deferred income	5,552	4,513
Deferred inc. taxes	8,307	5,516
+ Common stock	885	747
Add paid-in capital	58,831	45,608
Retained earnings (deficit)	2,957	(6,596)
Total Liabilities & Shareholders' Equity	$ 183,792	$ 157,092

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

% Income bef. Taxes to Revenues	9.32	7.42
% Net Income to Revenues	5.36	3.60
% Net Income to Equity	15.24	13.84
Shareholders' Equity	$ 62,673,000	$ 39,759,000

Molex Incorporated

2222 Wellington Court
Lisle, Illinois 60532
(312) 969-4550

Molex Incorporated

Officers: John Krehbiel, chairman; John H. Krehbiel, Jr., president; Frederick Krehbiel, exec. v.p.-intl.; Herbert Pohlmann, Jr., v.p.-international operations; Kerry Krafthefer, v.p.-sales & marketing; Raymond Wieser, v.p.-operations; Ronald Canaday, v.p.-finance; Louis A. Hecht, secretary; John C. Psaltis, treasurer.

Directors: John H. Krehbiel, chairman; John H. Krehbiel, Jr., Frederick A. Krehbiel.

Areas of Work: Engaged in the production and sale of connectors, terminals, inter-connection systems, switches and application equipment for electrical and electronic products. Also involved in the extrusion of plastics, the laminating of multiconductor cable, the further processing (notching, slitting, cutting) of such cable and fabricating these into cable connector assemblies.

Subsidiaries:

Molex Electronics Ltd.
Molex S.A.
Molex S.A. de C.V.
Molex-Japan Co., Ltd.
Molex Italian S.p.A.
Molex Electronics Ltd.

Transfer Agent(s):

American National Bank and Trust Company of Chicago
33 North LaSalle Street
Chicago, Illinois 60690

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MOLX (NASDAQ)

Number of Employees:

1980	2,100	1977	1,350
1979	2,032	1976	1,050
1978	1,700		

Plant Footage:

1980	622,000 sq. ft.	1977	325,000
1979	501,000	1976	286,800
1978	457,000		

Sales and Earnings

	Net Sales	Net Income
1980	$121,523,387	$ 14,844,981
1979	98,114,557	13,573,620
1978	71,818,852	8,980,355
1977	53,737,978	6,049,501
1976	40,812,336	4,478,590

	No. of Com. Shares ‡	Earn. per Share ‡
1980	4,342,985	$3.42
1979	4,323,601	3.14
1978	4,311,010	2.08
1977	4,316,095	1.40
1976	4,311,023	1.04

‡ Based on average number of common shares outstanding adjusted to reflect stock dividend and stock split.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.09	25%	—
1979	0.09	—	—
1978	0.08	—	3-for-2
1977	0.08	—	—

‡ Adjusted to reflect stock dividend and stock split.

Common Stock Equity

	Total Equity +	Equity Per Share ‡
1980	$ 62,753,621	$14.45
1979	48,160,649	11.14
1978	34,722,218	8.05
1977	25,927,650	6.01
1976	20,175,325	4.68

+ After allowing for preferred stock at par value.
‡ Based on the average number of common shares outstanding adjusted to reflect stock dividend and stock split.

Income Account *

Year ended June 30	1980	1979
Net sales	$121,523,387	$ 98,114,557
Cost of sales	66,053,619	50,165,362
Expenses	27,171,560	21,304,202
Other income	(888,837)	(199,942)
Income before taxes	$ 29,187,045	$ 26,844,935
Income taxes	14,159,000	13,115,000
Minority interest	183,064	156,315
Net Income	$ 14,844,981	$ 13,573,620

* Included in Costs and Expenses, Depreciation and Amortization: $4,371,079 in 1979 and $3,744,327 in 1978.

Assets

As of June 30	1980	1979
Cash	$ 9,032,128	$ 8,078,100
Accts. receiv., net	31,280,439	24,280,736
* Inventories	16,834,476	13,034,691
Prepaid expenses	784,210	575,967
Cert. of deposit	5,789,049	3,961,365
Current Assets	$ 63,720,302	$ 49,830,859
# Fixed assets	30,043,446	21,759,252
Other assets	697,802	492,755
Total Assets	$ 94,461,550	$ 72,082,866

Liabilities

Note payable	$ 187,654	$ 260,000
Long-term debt, curr.	422,828	315,877
Accts. payable	11,107,566	8,365,891
Accruals	2,375,199	1,595,058
Accrued payroll	2,083,071	1,711,474
Dividends payable	89,869	80,915
Income taxes	5,225,380	4,877,812
Accrued prof. sh. plan	1,354,953	1,090,652
Curr. Liabilities	$ 22,846,520	$ 18,297,679
Long-term debt	4,566,070	2,320,151
Deferred income	1,017,993	788,848
Deferred inc. taxes	2,046,482	1,637,773
Other deferred items	741,839	571,804
Minority interest	441,661	258,597
+ Preferred stock	47,364	47,364
+ + Class B common stock	4,793	4,793
+ + Common stock	213,547	169,486
Add. paid-in capital	2,259,813	1,311,661
Retained earnings	61,340,430	46,871,959
Def. unearned comp.	(867,712)	—
Treasury stock	(197,250)	(197,250)
Total Liabilities & Shareholders' Equity	$ 94,461,550	$ 72,082,866

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $100 par value; 6% non-cumulative.
+ + $0.05 par value.

Statistical Summary

%Income bef. Taxes to Sales	24.02	27.36
%Net Income to Sales	12.22	13.83
%Net Income to Equity	23.64	28.16
Sales to Inventories	7.22	7.53
Working Capital	$ 40,873,782	$ 31,533,180
Current Ratio	2.79	2.72
Shareholders' Equity	$ 62,800,985	$ 48,208,013

Monsanto Company

800 N. Lindbergh Boulevard
St. Louis, Missouri 63166
(314) 694-1000

Officers: John W. Hanley, chairman of the board & chief executive officer; Louis Fernandez, vice chairman of the board; Richard J. Mahoney, president; James J. Kerley, chairman of the finance committee; Francis J. Fitzgerald, exec. v.p.; Robert L. Berra, Francis E. Reese, Howard A. Schneiderman, Monte C. Throdahl, sr. v.p.'s; Robert E. Burke, C. Preston Cunningham, Earle H. Harbison, Jr., Nicholas L. Reding, group v.p.'s; Richard W. Duesenberg, v.p., secretary, and general counsel; Constantine E. Anagnostopoulos, Alfred W. Andrews, Leonard A. Cohn, Harold J. Corbett, S. Allen Heininger, Joseph T. Nolan, Sam Pickard, Ernest S. Robson, Jr., Francis A. Stroble, v.p.'s; John A. Rolls, treasurer; Michael F. Mee, controller.

Directors: John W. Hanley*, chairman; Edmond S. Bauer, Donald C. Carroll, C.R. Dahl, Richard I. Fricke, J.W. Fisher, James J. Kerley*, Jean Mayer, Monte C. Throdahl, Louis Fernandez*, Howard M. Love, Edward L. Palmer, Francis E. Reese, Buck Mickel, Richard J. Mahoney*, Margaret Bush Wilson*.

*Member of the Executive Committee.

Areas of Work: Primarily engaged in the development, manufacture and sale of chemicals; the Company's principal product groups include: man-made fibers; plastics, resins and coatings; fertilizers and crop-protection chemicals; phosphates and detergents; chemical intermediates, plasticizers and functional fluids; rubber chemicals, food ingredients and fine chemicals; heavy chemicals. Makes and markets pollution control equipment. In the electronics field, the Company manufactures silicon materials, semi-conductor materials, process controls, develops and produces power sources for the Atomic Energy Commission, space programs, the life sciences and oceanographic research.

Operating Units:

Monsanto Agricultural Products Company
Monsanto Industrial Chemicals Co.
Monsanto Chemical Intermediates Co.
Monsanto Plastics & Resins Co.
Monsanto Textiles Company
International Division

All headquartered at:

800 N. Lindbergh Boulevard
St. Louis, Missouri 63166

Electronics & Related Subsidiaries:

Fisher Controls International Inc. (65.5% owned)
Manufactures and markets process measurement and control equipment.

Monsanto Enviro-Chem Systems, Inc.
Develops and markets engineered chemical facilities and pollution abatement systems.

Monsanto Research Corporation
Conducts research for government agencies and for Monsanto; produces nuclear sources; operates a government-owned laboratory for the Atomic Energy Commission.

Industrias Monsanto S.A.-Brazil
Manufactures rubber chemical, phosphates and process control equipment.

Radiation Dynamics, Inc.
Melville, New York
Involved in the field of electron beam processing; manufactures industrial process accelerators and medical radiation processing equipment.

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
23 Wall Street
New York, New York 10005

The Boatmen's National Bank of St. Louis
300 N. Broadway
St. Louis, Missouri 63102

Stock Exchange(s): New York, Pacific

Ticker Symbol: MTC

Number of Employees:

1980	61,836	1977	61,519
1979	63,926	1976	61,903
1978	62,851		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 6,573,600	$ 148,800
1979	6,192,600	331,000
1978	5,018,700	302,600
1977	4,594,500	275,600
1976	4,270,200	366,300

	No. of Com. Shares	Earn. per Share
1980	36,169,649	$4.10
1979	36,031,168	9.11
1978	36,189,863	8.29
1977	36,300,000	7.46
1976	36,400,000	10.05

Revenues By Line of Business
(000's)

	1980	1979
Agricultural products	$ 1,012,300	$ 839,900
Industrial chemicals	1,577,600	1,513,800
Chemical intermediates	965,700	858,600
Plastics & resins	1,383,800	1,414,200
Textiles	1,041,100	1,069,400
Fisher Controls	593,100	496,700
Total	$ 6,573,600	$ 6,192,600

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$3.55	—	—
1979	3.35	—	—
1978	3.175	—	—
1977	3.025	—	—
1976	2.75	—	—

Common Stock Equity

	Total Equity ‡ (000's)	Equity Per Share
1980	$ 2,799,211	$74.08
1979	2,770,253	76.88
1978	2,565,887	70.90
1977	2,381,095	66.16
1976	2,224,571	61.79

‡ After allowing for preferred stock at voluntary liquidation value of $73 per share.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 6,573,600	$ 6,192,600
Cost of sales	5,476,000	4,932,000
Expenses	887,400	773,700
Oper. profit	$ 210,200	$ 486,900
Other income	107,300	117,500
Total	$ 317,500	$ 604,400
Interest expense	111,800	123,300
Income before taxes	$ 205,700	$ 481,100
Income taxes	56,900	150,100
Net Income	$ 148,800	$ 331,000

* Included in Costs and Expenses, Depreciation, Obsolescence and Depletion: $546,900,000 in 1980 and $412,700,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 44,800	$ 43,700
Marketable securities	165,800	227,600
Receiv., net	1,334,100	1,277,200
* Inventories	832,300	909,900
Current Assets	$ 2,377,000	$ 2,458,400
Investments & other assets	310,300	262,900
# Fixed assets	3,109,100	2,817,800
Total Assets	$ 5,796,400	$ 5,539,100

Liabilities
(000's)

	1980	1979
Accounts payable	$ 425,800	$ 585,400
Wages & commissions	105,400	105,200
Income & other taxes	60,200	66,700
Misc. accruals	320,400	145,300
Short-term debt	238,800	233,100
Curr. Liabilities	$ 1,150,600	$ 1,135,700
Long-term debt	1,370,500	1,202,500
Other liabilities	26,300	39,800
Deferred inc. taxes	338,100	295,400
Minority interests	102,700	83,900
+ Preferred stock	300	300
+ + Common stock	73,900	73,900
Add. paid-in capital	651,800	652,900
Retained earnings	2,122,700	2,102,300
Treasury stock	(40,500)	(47,600)
Total Liabilities & Shareholders' Equity	$ 5,796,400	$ 5,539,100

* At lower of cost (domestic inventories at LIFO; all others at FIFO) or market.
# Less accumulated depreciation and depletion, etc.
+ No par value.
+ + $2 par value.

Statistical Summary

% Income bef. Taxes to Sales	3.13	7.77
% Net Income to Sales	2.26	5.35
% Net Income to Equity	5.30	11.90
Sales to Inventories	7.90	6.81
Working Capital	$1,226,400,000	$2,808,200,000
Current Ratio	2.07	2.16
Shareholders' Equity	$1,322,700,000	$2,781,800,000

Moog Inc.

East Aurora, New York 14052
(716) 652-2000

Officers: William C. Moog, president & chairman; Jerald D. Bidlack, exec. v.p. & pres.-International Controls; Frederick E.W. Pegler, v.p. & pres.-Hydra Point; Howard G. Martin, v.p.-finance; Richard A. Aubrecht, admin. v.p. & secretary; Robert T. Brady, Kenneth D. Garnjost, Joe C. Green, Daniel C. Clark, William J. Thayer, v.p.'s; Henry J. Ernst, treasurer.

Directors: William C. Moog, F.E.W. Pegler, Warren B. Cutting, Jane B. Moog, Kenneth J. McIlraith, Arthur S. Wolcott, John C. Goodell, Wesley T. Hanson, Jr., Richard A. Aubrecht, Robert F. Sykes.

Areas of Work: Manufactures advanced controls and control systems which utilize high performance servo valves for industrial and aerospace applications; manufactures numerically-controlled metalcutting machine tools and computer numerically-controlled machine tools throughout the world.

Divisions:

Controls Division

Manufactures electrohydraulic controls for guidance system of space booster, missiles, and aircraft. For industrial markets, produces controls for machine tools, computer memory access systems, construction equipment, plastic molding equipment, and other process control systems.

Hydra-Point/Hydra-Point International

Manufactures numerically-controlled milling/drilling machines and computer numerically-controlled machine tools.

International Controls Division

Identifies and develops markets outside North America for precision control components and systems.

Subsidiaries:

Moog DISC Ltd.
East Aurora, New York

Moog GmbH
Boblingen, Germany
(7031) 20011

Moog Hydra-Point Ltd.
Cheltenham, England
53224

Moog Japan Ltd. (75% owned)
Hiratsuka, Japan

Moog S.a.r.L.
Rungis, France
686-7815

Moog Hydra-Point Canada, Ltd.
Canada

Moog Industrial Controls Corporation
New York

Moog S.R.L.
Italy

Moog Hydra-Point GmbH
Germany

Carleton Controls Corp.
East Aurora, New York
(716) 652-8100

Moog GmbH
Germany

Moog Controls Limited
United Kingdom

Moog do Brasil Controles Ltda.
Brazil

Moog Sweden A.B.
Sweden

Transfer Agent(s):

The Bradford Trust Company
2 Broadway
New York, New York 10004

Stock Exchange(s): American

Ticker Symbol: MOG

Number of Employees:

1980	2,730	1977	2,056
1979	2,501	1976	1,868
1978	2,349		

Sales and Earnings

	Net Sales +	Net Income
1980	$135,300,000	$ 6,781,000
1979	112,615,000	4,581,000
1978	92,233,000	3,300,000
1977	74,702,000	1,883,000
1976	59,609,000	1,464,000

	No. of Com. Shares #	Earn. per Share #
1980	6,245,000	$1.09
1979	5,686,000	0.81
1978	5,586,000	0.59
1977	5,586,000	0.34
1976	5,584,000	0.26

+ Of continuing operations only.
# Based on average number of shares outstanding adjusted to reflect stock dividends and stock split.

Revenues By Line of Business

	1980	1979
Controls	$ 83,705,000	$ 70,755,000
International Controls	27,590,000	22,498,000
Hydra-point	24,005,000	19,362,000
Total	$135,300,000	$112,615,000

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.156	75% & 50%	—
1979	0.124	10% & 20%	—
1978	0.113	10%	3-for-2
1977	0.105	—	—
1976	0.105	—	—

‡ Adjusted to reflect stock dividends and stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 41,189,000	$6.60
1979	23,133,000	4.07

† Based on average number of shares outstanding adjusted to reflect stock dividends and stock split.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$135,300,000	$112,615,000
Other income	564,000	2,216,000
Total Income	$135,864,000	$114,831,000
Cost of sales	96,424,000	82,398,000
Expenses	22,926,000	18,578,000
Interest expense	4,922,000	3,625,000
Other charges	79,000	175,000
Loss from currency trans.	143,000	487,000
Income before taxes	$ 11,370,000	$ 9,568,000
Income taxes	4,589,000	3,250,000
Inc.-cont. operations	$ 6,781,000	$ 6,318,000
Loss-discont. operations	—	(1,737,000)
Net Income	$ 6,781,000	$ 4,581,000

* Included in Costs and Expenses, Depreciation and Amortization: $4,540,000 in 1980 and $3,573,000 in 1979.

Assets

As of Sept. 30	1980	1979 ‡
Cash	$ 5,500,000	$ 5,666,000
Accts. Receiv., net	29,661,000	26,721,000
* Inventories	35,486,000	27,068,000
Deferred inc. taxes	1,894,000	994,000
Prepaid expenses	744,000	606,000
Current Assets	$ 73,285,000	$ 61,055,000
# Fixed assets	37,730,000	30,074,000
Other assets	1,501,000	1,558,000
Total Assets	$112,516,000	$ 92,687,000

Liabilities

Notes payable	$ 4,832,000	$ 9,499,000
Long-term debt, curr.	2,249,000	2,361,000
Accts. payable	11,516,000	10,952,000
Accruals	3,354,000	3,471,000
Accrued payroll	8,156,000	6,362,000
Dividends payable	308,000	183,000
Income taxes	3,161,000	2,105,000
Advances & progress billings in excess of related costs	5,799,000	3,758,000
Current Liabilities	$ 39,375,000	$ 38,691,000
Long-term debt	27,765,000	28,716,000
Pension obligation	1,059,000	817,000
Minority interest	302,000	258,000
Deferred credits	532,000	632,000
Deferred inc. taxes	2,294,000	440,000
+ Common stock	5,139,000	3,839,000
Add. paid-in capital	20,943,000	9,991,000
Retained earnings	15,109,000	9,305,000
Treasury stock	(2,000)	(2,000)
Total Liabilities & Shareholders' Equity	$112,516,000	$ 92,687,000

‡ Reclassified to conform to current presentation.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.40	—
%Net Income to Sales	5.01	—
%Net Income to Equity	16.46	19.80
Sales to Inventories	3.81	4.16
Working Capital	$ 33,910,000	$ 22,364,000
Current Ratio	1.86	1.58
Shareholders' Equity	$ 41,189,000	$ 23,133,000

Moore Products Co.

Sumneytown Pike
Spring House, Pennsylvania 19477
(215) 646-7400

Officers: Edwin G. Rorke, chairman of the board & president; Ralph H. Owens, v.p.-sales; Robert B. Adams, v.p.-engineering; Richard J. Faber, v.p.-mfg.; Hugh S. Wilson, v.p.-int'l operations; William J. Young, treasurer.

Directors: Robert W. Buhner, James E. Gambrill, Thomas C. Moore, George E. Nehrbas, Edwin G. Rorke*, Walter G. Trumbower, Charles H. Welles III, Ralph H. Owens*, William J. Young*, James O. Moore, William B. Moore.

*Member of Executive Committee.

Areas of Work: Designs, manufactures and markets measurement and control equipment and systems for the process industries and dimensional measurement and control equipment for the bearing, automotive, and other hard good manufacturers. Researches and manufactures fluidic devices.

Subsidiaries:

Moore Instruments Ltd./Ltee.
Brampton, Ontario, Canada

Moore Products Co. (U.K.), Limited
East Molesey
Surrey, England

Moore Products de Mexico S.A. de C.V.
Av. Constituyentes 329
Mexico 18, D.F.

Transfer Agent(s):

Girard Bank
Philadelphia, Pennsylvania 19101

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MORP (NASDAQ)

Number of Employees:

1980	1,085	1977	617
1979	1,035	1976	617
1978	912		

Plant Footage:

1980	296,000 sq. ft.	1977	226,000
1979	296,000	1976	226,000
1978	296,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 57,122,000	$ 5,061,000
1979	48,329,000	5,719,000
1978	38,536,000	4,209,000
1977	32,625,000	3,524,000
1976	28,055,078	2,644,971

	No. of Com. Shares	Earn. per Share ‡
1980	2,041,575	$2.49
1979	2,027,978	2.84
1978	2,008,948	2.11
1977	1,989,353	1.78
1976	1,969,873	1.35

‡ Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.78	—	—
1979	0.69	—	—
1978	0.60	—	—
1977	0.51	—	—
1976	0.46	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$ 32,533,000	$15.94
1979	28,660,000	14.13
1978	23,888,000	11.89
1977	20,606,000	10.36
1976	17,785,726	9.03

‡ After allowing for preferred stock at par value.

Income Account *

Year ended Dec. 31	1980	1979
Net Sales	$ 57,122,000	$ 48,329,000
Other income	690,000	478,000
Total Income	$ 57,812,000	$ 48,807,000
Cost of sales	26,401,000	21,121,000
Expenses	21,784,000	17,567,000
Income before taxes	$ 9,627,000	$ 10,119,000
Income taxes	4,566,000	4,400,000
Net Income	$ 5,061,000	$ 5,719,000

* Included in Costs and Expenses, Depreciation: $1,062,000 in 1980 and $893,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash & investments	$ 6,094,000	$ 2,223,000
Accts. receiv., net	6,900,000	8,086,000
* Inventories	18,049,000	17,427,000
Prepaid expenses	170,000	112,000
Current Assets	$ 31,213,000	$ 27,848,000
# Fixed assets	7,170,000	6,756,000
Other assets	65,000	71,000
Total Assets	$ 38,448,000	$ 34,675,000

Liabilities

Accounts payable	$ 1,245,000	$ 1,448,000
Accruals	3,243,000	3,221,000
Income taxes	1,251,000	1,170,000
Curr. Liabilities	$ 5,739,000	$ 5,839,000
+ Preferred stock	176,000	176,000
+ + Common stock	2,042,000	2,028,000
Add. paid-in capital	2,227,000	1,838,000
Retained earnings	28,264,000	24,794,000
Total Liabilities & Shareholders' Equity	$ 38,448,000	$ 34,675,000

* At lower of cost or market. Domestic inventories at LIFO; foreign at FIFO.
# Less accumulated depreciation.
+ $1 par value, 5% cumulative convertible.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	16.85	20.94
%Net Income to Sales	8.86	11.83
%Net Income to Equity	15.47	19.83
Sales to Inventories	3.16	2.77
Working Capital	$ 25,474,000	$ 22,009,000
Current Ratio	5.44	4.77
Shareholders' Equity	$ 32,709,000	$ 28,836,000

Motorola, Inc.

Motorola Center
1303 East Algonquin Road
Schaumburg, Illinois 60196
(312) 397-5000

Officers: Robert W. Galvin, chairman of the board & chief executive officer; William J. Weisz, vice chairman & chief operating officer; John F. Mitchell, president & asst. chief operating officer; John T. Hickey, sr. v.p. & chief financial officer; Stephen L. Levy, sr. v.p. & chief corp. staff officer; Carl E. Lindholm, sr. v.p. & gen. mgr.-Automotive & Display Systems Group; Rhesa S. Farmer, v.p. & gen. mgr.-Communications Group; John R. Welty, sr. v.p. & gen. mgr., Semiconductor Group; Martin Cooper, v.p. & dir.-research & development; Donald R. Jones, v.p. & asst. chief financial officer; Kenneth J. Johnson, v.p. & controller; Vincent J. Rauner, v.p.-patents, trademarks & licensing; Richard H. Weise, v.p., gen. counsel & secretary; William P. Meehan, v.p. & treasurer; L. Curtis Foster, v.p.-engineering; R. James Harring, v.p.-planning; Earl R. Gomersall, v.p. & corp. dir.-Operational Support; C. Travis Marshall, v.p.-govt. relations; Robert N. Swift, v.p. & director of personnel; Levy Katzir, v.p. & asst. to the chief exec. office; Ralph W. Elsner, v.p. & deputy to the chief exec. office; James R. Lincicome, v.p. & gen. mgr.-Govt. Electronics Div.; Arnold S. Brenner, Richard C. Buetow, R. La Vance Carson, Kenneth R. Heoder, Theodore Saltzberg, Morton L. Topfer, Bradford K. Kroha, Rhesa S. Farmer, Ira W. Walker, Arthur P. Sundry, John W. Battin, Communications Group v.p.'s; Alfred J. Stein, Andre Borrel, James R. Fiebiger, Henri A. Jarrat, James A. Norling; Geno Ori, Charles E. Thompson, Gary L. Tooker, Semiconductor Group v.p.'s; Arthur Carr, v.p.; Jack.

Directors: Robert W. Galvin, Walter B. Scott, William J. Weisz, John F. Mitchell, Arthur C. Nielson, Jr., Elmer H. Schulz, Stephen L. Levy, Homer L. Marrs, B. Kenneth West, James W. Birkenstock, John T. Hickey, John J. Antalek, William G. Salatich, M. Joseph Lambert, Charlotte T. Reid, Gardiner L. Tucker.

Areas of Work: Engaged in the development, manufacture and sale of semiconductor devices, automotive electronics products, radio communications systems, microwave instrumentation, command, control and monitoring systems, and advanced electronic systems and equipment for the United States government. New ventures and other businesses include training and educational films; hotel/motel and medical group practitioner electronic management communications, and entertainment systems; microprocessor test equipment; information display systems; industrial process controls; ferrite and iron core components; electronic musical instruments and tuning equipment; CRT displays for computer peripheral, coin-operated electronic games and closed circuit TV applications.

Divisions:

Automotive and Industrial Electronics Group
1299 East Algonquin Road
Schaumburg, Illinois 60196
(312) 397-8000
G. Cox, dir. of materiel; L. Jones, marketing mgr.; C.E. Lindholm, general mgr.

Products include alternator charging systems, solid state ignition systems, electronic instrumentation and engine control modules.

Communications Group
1301 East Algonquin Road
Schaumburg, Illinois 60916
(312) 397-1000
F. Anrod, purch. agent; A.P. Sundry, marketing mgr.; J.F. Miller, general mgr.

Mobile and portable FM two-way radio communications systems, radio paging systems, communications control centers, mobile data communications systems, fiber optics, signaling and remote control systems, precision instruments, component products, health care communications systems, and electronic command and control systems.

Communications Distribution Division
Communications International Division
Communications Products Division
Communications Systems Division

Semiconductor Group
5005 East McDowell Road
Phoenix, Arizona 85008
(602) 244-6900
B. Keilen, purch. agent; W. Pearson, director-materiel; J.R. Welty, general mgr.; C. Thompson, marketing mgr.

MOS and bipolar integrated circuits; power and small signal transistors; thyristors, varactors, zener and tuning diodes; functional circuits, optoelectronics, semiconductor chips, RF modules, microwave devices, triggers, suppressors, liquid crystal displays (LCDs).

Discrete Semiconductor Division
Integrated Circuit Division

Government Electronics Division
8201 East McDowell Road
Scottsdale, Arizona 85252
(602) 949-3033
R.F. Kline, purch. agent. & dir.-materiel; L.C. Johnson, A.C. Strensrud, R.A. Orr, marketing mgrs.; A.P. Davies, production mgr.; J.R. Lincicome, general mgr.

Products include radar surveillance and display systems, positioning and navigation systems, fixed and satellite communications systems, tactical electronics systems; space communications systems, countermeasures systems, troposcatter communications, missile guidance and drone systems, missile and aircraft instrumentation, and secure communications.

Data Communications

Manufactures data security equipment, modems, and network control systems.

Subsidiaries:

Motorola Teleprograms, Inc.
4825 North Scott, Suite 26
Schiller Park, Illinois 60176
(312) 671-1565

Motorola Communications and Electronics, Inc.
1301 Algonquin Road
Schaumburg, Illinois 60172
(312) 397-1000

Motorola Semiconductor Products, Inc.
5005 East McDowell Road
Phoenix, Arizona 85008
(602) 273-6900

Motorola Military and Aerospace Electronics Inc.
8201 East McDowell Road
Scottsdale, Arizona 85252
(602) 949-3033

Motorola New Venture Lab.
3034 Malmo Drive
Arlington Heights, Illinois 60005
(312) 593-8280

Communications Systems, Inc.
663 Kakoi Street
Honolulu, Hawaii 96819
(808) 841-7336

Codex Corporation
15 Riverdale Avenue
Newton, Massachusetts 02195
(617) 969-0600
R. Boermeester, purch. agent; D. Ebling, dir.-materiel; J.W. Pugh, marketing mgr.; R. Emond, production mgr.; A. Carr, general mgr.

Motorola Communications International Inc.
1301 Algonquin Road
Schaumburg, Illinois 60172
(312) 397-1000

Motorola Systems, Inc.
9950 West Lawrence Avenue
Schiller Park, Illinois 60176
(312) 671-1565

Joint Venture:

Toko, Inc.
Tokyo, Japan

Produces metal-oxide semiconductor integrated circuits.

Acquisition(s):

Data Products Division of Cole Electronics (U.K.)

Manufactures data communication equipment.

Transfer Agent(s):

Harris Trust and Savings Bank
111 West Monroe Street
Chicago, Illinois 60690

Citibank, N.A.
111 Wall Street
New York, New York 10015

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: MOT

Number of Employees:

1980	71,500	1977	60,000
1979	75,000	1976	56,000
1978	68,000		

Sales and Earnings

	Net Sales ‡ + (000's)	Net Income (000's)
1980	$ 3,098,763	$ 186,081
1979	2,713,795	154,296
1978	2,219,744	125,182
1977	1,853,514	106,951
1976	1,537,533	89,528

	No. of Com. Shares #	Earn. per Share #
1980	31,244,000	$5.96
1979	31,112,000	4.96
1978	31,019,000	4.04
1977	30,933,000	3.46
1976	30,699,000	2.92

‡ Of continuing operations only.
+ Includes other revenue.
# Based on the average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Communications products	$ 1,252,822	$ 1,127,221
Semiconductor products	1,222,423	992,439
Other products	683,646	655,204
Eliminations	(60,128)	(61,069)
Total	$ 3,098,763	$ 2,713,795

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.45	—	—
1979	1.25	—	—
1978	1.05	—	—
1977	0.88	—	—
1976	0.735	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1980	$ 1,151,959	$36.87
1979	1,003,876	32.27
1978	885,538	28.55
1977	788,044	25.48
1976	706,482	23.01

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales & other revenues	$ 3,098,763	$ 2,713,795
Cost of sales	1,845,111	1,624,966
Expenses	772,788	672,282
Depreciation	144,790	110,827
Interest & amort. of debent. disc.	48,988	36,114
Special charge	13,031	10,286
Income before taxes	$ 274,055	$ 259,320
Income taxes	87,974	105,024
Net Income	$ 186,081	$ 154,296

Assets
(000's)

As of Dec. 31	1980	1979
Cash & short-term investments	$ 104,795	$ 99,630
Accts. receiv., net	488,247	491,857
Future tax benefits	62,712	40,169
* Inventories	538,139	547,712
Other assets	73,864	54,340
Current Assets	$ 1,267,757	$ 1,233,708
# Fixed assets	813,620	653,741
Sundry assets	30,584	16,047
Total Assets	$ 2,111,961	$ 1,903,496

Liabilities
(000's)

Long-term debt,curr.	$ 4,767	$ 3,549
Accts. payable	216,968	230,233
Accruals	254,147	240,828
Income taxes	48,959	50,547
Curr. Liabilities	$ 524,841	$ 525,157
Long-term debt	335,748	295,628
Other liabilities	99,413	78,835
+ Common stock	94,066	93,473
Add. paid-in capital	165,853	159,104
Retained earnings	892,040	751,299
Total Liabilities & Shareholders' Equity	$ 2,111,961	$ 1,903,496

* At lower of average cost (FIFO) or market.
# Less accumulated depreciation.
+ $3 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.84	9.56
%Net Income to Sales	6.01	5.69
%Net Income to Equity	16.15	15.37
Working Capital	$ 742,916,000	$ 708,551,000
Current Ratio	2.42	2.35
Shareholders' Equity	$1,151,959,000	$1,003,876,000

MSI Data Corporation

340 Fischer Avenue
Costa Mesa, California 92626
(714) 549-6000

Mailing address:

P.O. Box 11466
Santa Ana, California 92711

Officers: William J. Bowers, chairman of the board & chief executive officer; Donald F. Brosnan, president & chief operating officer; Murray N. Robinson, v.p.-operations; Charles R. Bush, v.p.-program management; Peter S. Weinreb, v.p.-European Operations; James J. Orris, v.p.-marketing; Raymond E. Nienburg, v.p.-engineering; Charles E. Butler, v.p.-finance & admin.; Frederick N. Fortier, treasurer; Carol Gillespie, secretary.

Directors: William J. Bowers, Donald F. Brosnan, Frank A. Grisanti, Morton Collins, John C. Martin, John A. Karsten, Harvey Kiein.

Areas of Work: Designs, manufactures, sells and services electronic source data entry systems, designed for use in the collection of business information.

Subsidiaries:

MSI Data International
Data House
St. Ives Road
Maidenhead, Berkshire SL6 1QX
England

MSI France S.A.R.L.
7 Rue Des Solets
SILIC-426
94583-Rungis Cedex, France

MSI Data International
MSI-DISC, Inc.
340 Fischer Avenue
Costa Mesa, California 92627
(714) 540-6600

MSI Data GmbH
Horbellerstrasse 10-14
D-5000 Cologne 40
West Germany

MSI Data Italia S.R.L.
5 Via Perrone di San Martino
Milan
Italy

MSI Data International
255 Avenue Louise
BTE10
1050 Brussels
Belgium

Transfer Agent(s):

First National Bank of Boston
Shareholder Services Division
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s): Over-the-Conter

Ticker Symbol: MSID (NASDAQ)

Number of Employees:

1980	869	1977	807
1979	869	1976	741
1978	869		

Plant Footage:

1980	102,400 sq. ft.	1977	102,400
1979	102,400	1976	102,400
1978	102,400		

Sales and Earnings

	Revenues +	Net Income ‡
1981	$ 55,616,550	$ 3,472,993
1980	45,427,338	1,045,542
1979*	42,913,236	2,054,755
1978	38,503,644	3,199,973
1977	34,078,094	2,593,345

	No. of Com. Shares #	Earn. per Share # ‡
1981	2,335,215	$1.49
1980	2,279,859	0.46
1979	2,318,046	0.89
1978	2,243,554	1.43
1977	2,201,113	1.18

(Loss)
‡ Restated to include operations of companies acquired on a pooling of interests basis.
* 53 weeks.
+ Of continuing operations only.
‡ Including extraordinary gain of $470,000 ($0.21 per share) in 1979.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$0.40	—	—
1980	0.40	—	—
1979	0.40	—	—
1978	0.28	—	—

Common Stock Equity ‡

	Total Equity	Equity Per Share †
1981	$ 19,162,612	$8.21
1980	15,990,821	7.01
1979	15,793,098	6.81
1978	14,431,729	6.43

‡ Restated to include operations of companies acquired on a pooling of interest basis.
† Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended	3/29/80	3/31/79‡ (53 weeks)
Revenues	$ 45,427,338	$ 42,913,236
Cost of sales	25,644,226	22,794,121
Expenses	14,479,768	13,822,953
Interest expense (income)	6,807	(248,553)
Income before taxes	$ 5,296,537	$ 6,544,715
Income taxes	2,648,000	3,176,000
Inc.-cont. oper.	$ 2,648,537	$ 3,368,715
Loss-discont. oper.	(1,602,995)	(1,783,960)
Net Income	$ 1,045,542	$ 1,584,755
Extraord. gain	—	470,000
Net Income & extraord. gain	$ 1,045,542	$ 2,054,755

* Included in Costs and Expenses, Depreciation and Amortization: $1,067,362 in 1980 and $926,520 in 1979.
‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets

As of	3/29/80	3/31/79‡
Cash	$ 247,672	$ 3,213,762
Accts. receiv., net	10,814,912	9,356,989
* Inventories	6,609,511	5,338,706
Prepaid expenses	738,317	667,907
Inc. taxes receiv.	1,913,305	—
Current Assets	$ 20,323,717	$ 18,577,364
# Fixed assets	4,723,032	4,768,309
Other assets	112,550	163,810
Total Assets	$ 25,159,299	$ 23,509,483

Liabilities

Notes payable	$ 700,000	$ —
Accts. payable	3,200,070	2,536,546
Accruals	1,817,537	1,396,590
Income taxes	289,590	370,679
Est. liab.-discont. oper.	1,482,820	—
Other Liab.	899,020	1,120,850
Curr. liabilities	$ 8,389,037	$ 5,424,665
Mortgage payable	536,441	549,252
Deferred inc. taxes	243,000	257,000
Def. liab.-discont. oper.	—	1,485,468
Common stock	7,320,025	7,265,760
Retained earnings	8,670,796	8,527,338
Total Liabilities & Shareholders' Equity	$ 25,159,299	$ 23,509,483

‡ Restated to include operations of companies acquired on a pooling of interests basis.
* At cost (FIFO) which is not in excess of market.
# Less accumulated depreciation and amortization.

Statistical Summary

%Net Income to Equity	6.54	10.03
Working Capital	$ 11,934,680	$ 13,152,699
Current Ratio	2.42	3.42
Shareholders' Equity	$ 15,990,821	$ 15,793,098

MSI Electronics Inc.

34-32 57th Street
Woodside, New York 11377
(212) 672-6500

Officers: A. Lederman, president & chairman of the board; Dominick Scaringella, vice president & secretary-treasurer.

Directors: T.R. Bashkow, A. Lederman, D. Scaringella, C. Shulman.

Areas of Work: Voltage variable capacitor diodes, microwave components, test instruments.

Transfer Agent(s):

Continental Stock Transfer Co.
19 Rector Street
New York, New York 10006

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income ‡
1979	$ 1,081,878	$ 219,584
1978	778,070	116,736
1977	716,801	124,102
1976	389,384	39,441
1975	276,288	19,613

	No. of Com. Shares	Earn. per Shares ‡
1979	513,350	$0.43
1978	513,350	0.23
1977	513,350	0.24
1976	513,350	0.08
1975	513,350	0.04

‡ Including extraordinary charge of $59,289 ($0.12 per share) in 1978.

Common Stock Equity

	Total Equity	Equity Per Share
1979	$ 916,926	$1.79
1978	697,342	1.36
1977	580,606	1.13
1976	457,886	0.89
1975	418,445	0.82

Income Account

Year ended Sept. 30	1979	1978
Net sales	$ 1,081,878	$ 778,070
Cost of sales	400,779	285,918
Expenses	395,351	274,953
Interest & dividend income	(49,633)	(30,571)
Depreciation	24,436	19,283
Income before taxes	$ 310,945	$ 228,487
Income taxes	91,361	52,462
Net Income	$ 219,584	$ 176,025
Extraord. charge	—	(59,289)
Net Income & extraord. charge	$ 219,584	$ 116,736

Assets

As of Sept. 30	1979	1978
Cash	$ 450,917	$ 394,405
Treasury notes	239,868	100,406
Accts. receiv., net	203,469	176,468
Marketable securities	73,902	73,915
Interest receiv.	10,546	3,058
* Inventories	125,362	72,886
Prepaid expenses	3,918	2,636
Priv. Exp. Fund. Co. Notes	77,072	54,000
Current Assets	$ 1,185,054	$ 877,774
# Fixed assets	94,057	54,435
Other assets	12,653	1,870
Total assets	$ 1,291,764	$ 934,079

Liabilities

	1979	1978
Accts. payable	$ 287,264	$ 195,244
Income taxes	87,574	41,493
Curr. Liabilities	$ 374,838	$ 236,737
+ Common stock	15,401	15,401
Add. paid-in capital	426,104	426,104
Retained earnings	475,421	255,837
Total Liabilities & Shareholders' Equity	$ 1,291,764	$ 934,079

* At lower of cost or market.
# Less accumulated depreciation.
+ $0.03 par value.

Statistical Summary

% Income bef. Taxes to Sales	28.74	29.37
% Net Income to Sales	20.30	22.62
% Net Income to Equity	23.95	25.24
Sales to Inventories	8.63	10.68
Working Capital	$ 810,216	$ 641,037
Current Ratio	3.16	3.71
Shareholders' Equity	$ 916,926	$ 697,342

MTS Systems Corporation

8055 Mitchell Road
Eden Prairie, Minnesota 55344

Mailing Address:

P.O. Box 24012
Minneapolis, Minnesota 55424
(612) 937-4000

Officers: George N. Butzow, president; Donald M. Sullivan, exec. v.p.; Marshall L. Carpenter, v.p. & treasurer; Gerald M. Bestler, v.p.-international operations; Richard W. Clark, Milan L. Sebek, v.p.'s; Keith D. Zell, v.p.-prod. group; William T. Dolan, secretary.

Directors: Charles A. Brickman, George N. Butzow, Thomas E. Holloran, E. Thomas Binger, Thomas Stelson.

Areas of Work: Designs, manufactures and markets electronic instruments and software products also hydraulic devices such as high-technology fluid power systems used in basic scientific research on materials, in the evaluation of new products, for production line quality control and for material forming manufacturing.

Subsidiaries:

MTS Systems GmbH
Potsdamer Str. 23/24
1 Berlin 37
West Berlin

MTS (Japan) Ltd.
4-8-13 Kudan Minami
Chiyoda-Ku, Tokyo T102
Japan

Transfer Agent(s):

Northwestern National Bank of Minneapolis
Minneapolis, Minnesota 55440

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MTSC (NASDAQ)

Number of Employees:

1980	894	1977	648
1979	812	1976	476
1978	735		

Plant Footage:

1980	200,000 sq. ft.	1977	150,000
1979	200,000	1976	150,000
1978	200,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 67,151,000	$ 4,739,000
1979	55,807,477	4,490,403
1978	44,960,472	3,542,516
1977	31,759,735	2,990,601
1976	24,112,113	2,259,509

	No. of Com. Shares #	Earn. per Share #
1980	1,722,859	$2.75
1979	1,697,725	2.64
1978	1,690,592	2.10
1977	1,671,000	1.80
1976	1,651,000	1.39

# Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.31	—	—
1979	0.25	—	—
1978	0.20	—	—
1977	0.12	—	2-for-1
	0.05	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 25,136,000	$14.59
1979	20,467,915	12.06
1978	16,382,657	9.69
1977	13,146,333	7.87
1976	9,600,252	5.81

+ Based on average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 67,151,000	$ 55,807,477
Cost of sales	39,121,000	31,266,273
Expenses	18,367,000	14,815,041
Prof.sh. plan	1,174,000	1,032,737
Interest expense	1,516,000	1,170,823
Other income	(543,000)	(469,800)
Income before taxes	$ 7,516,000	$ 7,992,403
Income taxes	2,777,000	3,502,000
Net Income	$ 4,739,000	$ 4,490,403

* Included in Costs and Expenses, Depreciation and Amortization: $869,000 in 1980 and $808,801 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 2,232,000	$ 1,699,697
Interest bearing invest.	3,000,000	—
Accts. receiv., net	18,798,000	20,999,897
* Inventories	20,896,000	17,698,050
Prepaid expenses	520,000	535,496
Current Assets	$ 45,446,000	$ 40,933,140
# Fixed assets	16,875,000	10,281,244
Other assets	330,000	267,189
Total Assets	$ 62,651,000	$ 51,481,573

Liabilities

	1980	1979
Notes payable	$ 2,853,000	$ 3,720,497
Long-term debt, curr.	505,000	440,208
Accts. payable	3,225,000	3,327,598
Accruals	4,973,000	4,050,253
Advance billings	2,091,000	1,936,005
Income taxes	7,770,000	5,296,006
Cur. Liabilities	$ 21,417,000	$ 18,770,567
Long-term debt	15,218,000	11,715,391
Deferred inc. taxes	880,000	527,700
+ Common stock	427,000	419,640
Add. paid-in capital	3,122,000	2,675,404
Retained earnings	21,587,000	17,372,871
Total Liabilities & Shareholders' Equity	$ 62,651,000	$ 51,481,573

* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.19	14.32
%Net Income to Sales	7.06	8.05
%Net Income to Equity	18.85	21.95
Sales to Inventories	3.21	3.15
Working Capital	$ 24,029,000	$ 22,162,573
Current Ratio	2.12	2.18
Shareholders' Equity	$ 25,136,000	$ 20,467,915

Mylee Digital Sciences, Inc.

155 Weldon Parkway
Maryland Heights, Missouri 63043
(314) 567-3420

Officers: Harold B. Abrams, president; Thomas A. Fisher, v.p.-operations; Helen Abrams, secretary-treasurer; D. Buchheit, engineering mgr.; G. Graves, marketing mgr., J. Stark, dir.-procurement; J. Fincher, production mgr.

Directors: Harold B. Abrams, Hubert C. Moog, James R. Moog.

Areas of Work: Engaged in the design, development, assembly and sale of data storage and retrieval systems for inventory control management, and in the maintenance and service of such systems.

Subsidiaries:

Mylee International, Ltd. (DISC)
Ladue Leasing Company

Transfer Agent(s):

Mercantile Trust Co. (Debentures)
721 Locust Street
St. Louis, Missouri 63101

Mylee Digital Sciences, Inc. (Common stock)
155 Weldon Parkway
Maryland Heights, Missouri 63043

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	62	1977	75
1979	70	1976	75
1978	75		

Plant Footage:

1980	12,992 sq. ft.	1977	12,992
1979	12,992	1976	12,992
1978	12,992		

Sales and Earnings

	Net Sales +	Net Income
1980	$ 2,472,700	$ (346,455)
1979	3,168,082	(161,609)
1978	3,180,499	43,291
1977	3,349,866	85,206
1976	2,898,260	(218,034)

	No. of Com. Shares †	Earn. per Share †
1980	1,312,311	$ —
1979	1,254,025	—
1978	1,254,025	0.03
1977	1,248,898	0.07
1976	1,238,375	—

(Loss)
+ Includes service income.
† Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 464,160	$0.35
1979	485,615	0.39
1978	647,224	0.52
1977	603,933	0.48
1976	507,164	0.41

† Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended Oct. 31	1980	1979
Revenues	$ 2,472,700	$ 3,168,082
Cost of sales	1,062,021	1,380,025
Commissions	327,377	484,644
Expenses	1,416,769	1,494,817
Interest expense	45,657	67,344
Other income	(32,669)	(32,787)
Loss bef. taxes	$ (346,455)	$ (225,961)
Tax credit	—	(64,352)
Net Loss	$ (346,455)	$ (161,609)

* Included in Costs and Expenses, Depreciation: $95,161 in 1980 and $91,215 in 1979.

Assets

As of Oct. 31	1980	1979
Cash	$ 63,569	$ 6,518
Accts. receiv., net	468,717	467,761
Refund inc. taxes	—	92,764
Contracts receiv.	19,202	26,477
* Inventories	528,940	688,455
Prepaid expenses	14,108	18,217
Current Assets	$ 1,094,536	$ 1,300,192
# Fixed assets	140,010	181,131
Other assets	67,260	94,187
Total Assets	$ 1,301,806	$ 1,575,510

Liabilities

Notes payable	$ 1,322	$ 120,863
Long-term debt, curr.	12,717	90,482
Accts. payable	83,116	181,691
Commissions payable	128,688	135,640
Accruals	108,523	95,625
Other	249,023	234,932
Curr. Liabilities	$ 583,389	$ 859,233
Long-term debt	221,022	194,306
Deferred compensation	33,235	36,356
+ Common stock	497,504	356,004
Common stock subscribed	226,400	—
Add. paid-in capital	—	7,134
Retained earnings (deficit)	(247,902)	134,319
Treasury stock	(11,842)	(11,842)
Total Liabilities & Shareholders' Equity	$ 1,301,806	$ 1,575,510

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.283 par value.

Statistical Summary

Working Capital	$ 511,147	$ 440,959
Current Ratio	1.88	1.51
Shareholders' Equity	$ 464,160	$ 485,615

Napco Security Systems, Inc.

6 Ditomas Court
Copiague, New York 11726
(516) 842-9400

Officers: Kenneth Rosenberg, president; Richard Soloway, v.p.-mfg. & secretary-treasurer; Roy Stockdale, v.p.-engineering; Frank Dale, v.p.-sales.

Directors: Kenneth Rosenberg, Richard Soloway, Roy Stockdale.

Areas of Work: Manufactures electronic burglar and fire alarms and devices. Products include commercial and residential control panels, telephone dialers, sirens, passive infrared detection systems, shock processors, and wireless alarm systems.

Subsidiaries:

E.E. Electric Components
Raltech Logic, Inc. (80% owned)
Napco Security Systems International, Inc. (DISC)
Napco Security Systems Florida, Inc.
UMI Manufacturing Corp.

Transfer Agent(s):

Continental Stock Transfer
New York, New York

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	133

Plant Footage:

1980	28,500 sq. ft.

Sales and Earnings

	Net Sales	Net Income
1980	$ 7,684,257	$ 209,964
1979	4,649,054	75,287
1978	3,424,754	51,486
1977	3,127,010	46,716
1976	3,375,338	128,259

	No. of Com. Shares	Earn. per Share #
1980	304,600	$0.69
1979	304,600	0.25
1978	304,600	0.17
1977	305,100	0.15
1976	295,100	0.42

# Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,317,449	$4.33
1979	1,107,485	3.64
1978	1,032,198	3.39
1977	981,463	3.22
1976	922,771	3.13

Income Account *

Year ended June 30	1980	1979
Net sales	$ 7,684,257	$ 4,649,054
Cost of sales	5,880,843	3,368,171
Expenses	1,335,162	1,110,936
Interest income	(20,856)	—
Interest expense	72,513	53,508
Loss on sale of equip. & prop.	44,195	—
Minority interest	13,980	2,990
Income before taxes	$ 358,420	$ 113,449
Income taxes	148,456	38,162
Net Income	$ 209,964	$ 75,287

* Included in Costs and Expenses, Depreciation: $54,114 in 1980 and $53,161 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 192,522	$ 139,318
Investment	104,176	—
Accts. receiv., net	865,642	664,629
* Inventories	1,002,225	926,952
Prepaid expenses	47,472	43,752
Current Assets	$ 2,212,037	$ 1,774,651
# Fixed assets	275,481	248,451
Other assets	17,013	27,906
Total Assets	$ 2,504,531	$ 2,051,008

Liabilities

Notes payable	$ —	$ 100,000
Long-term debt, curr.	23,613	106,633
Accts. payable	750,745	292,044
Accrued payroll	204,397	40,999
Income taxes	78,658	18,141
Payroll taxes	14,723	24,852
Curr. Liabilities	$ 1,072,136	$ 582,669
Long-term debt	54,633	312,969
Deferred inc. taxes	42,857	44,409
Minority interest	17,456	3,476
+ Common stock	4,251	4,251
Add. paid-in capital	640,847	640,847
Retained earnings	673,556	463,592
Treasury stock	(1,205)	(1,205)
Total Liabilities & Shareholders' Equity	$ 2,504,531	$ 2,051,008

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.66	2.44
%Net Income to Sales	2.73	1.62
%Net Income to Equity	15.94	6.80
Sales to Inventories	8.88	5.02
Working Capital	$ 1,139,901	$ 1,191,982
Current Ratio	2.06	3.05
Shareholders' Equity	$ 1,317,449	$ 1,107,485

Narco Scientific, Inc.

455 Pennsylvania Avenue
Suite 230
Fort Washington, Pennsylvania 19034
(215) 641-5800

Officers: E. Rudy Garfield, chairman of the board & chief executive officer; Aldo J. DeFrancesco, president & chief operating officer; Laurence P. Finnegan, Jr., sr. v.p.-domestic operations; Michael F. Doyle, v.p. & corp. controller & chief financial officer; Joseph J. Franchetti, v.p.-business resources; Francis X. Vitale,Jr., v.p.-investor relations & corp. affairs; Edward A. France,Jr., v.p.-human resources; Frederick A. Van Denbergh, Jr., secretary; James W. Schwartz, asst. secretary; James J. Tuite, treasurer.

Directors: E. Rudy Garfield*, chairman; Aldo J. DeFrancesco, Frederick A. Van Denbergh, Jr.*, Lewis W. Bluemle, Jr., Robert M. Wachob, David B. Smith*, Robert C. Williams, Thomas W. Langfitt, R. Anderson Pew.

*Member of Executive Committee

Areas of Work: Manufacturer of medical equipment and devices.

Divisions and Subsidiaries:

Narco/Air-Shields, Inc.
Hatboro, Pennsylvania
Medical equipment and related disposables for perinatal care, intensive care, and anesthesiology.

Narco/Air-Shields Europe
Shannon, Ireland
Medical diagnostic products, infant care and other medical equipment.

Narco/Pilling
Fort Washington, Pennsylvania
Produces and markets surgical instruments and operating room equipment.

Lejeune, Seitz & Ameline
Paris, France
Distributor of medical equipment and disposables.

Narco Bio-Systems, Inc.
Houston, Texas
Life sciences teaching and research equipment and clinical blood flow instrumentation.

Narco/Telecare
Houston, Texas
Emergency medical care equipment and blood pressure transducers.

Narco Health International
Hatboro, Pennsylvania
Export sales group for all health care operations.

Narco Medical Services
Toronto, Ontario, Canada
Distributor of medical equipment and disposables.

Narco Medical Services
Minneapolis, Minnesota
Distributor of hospital equipment and disposables.

Affiliates:

Fanem Ltda. (30% owned)
Sao Paulo, Brazil
Manufacturer and distributor of medical instruments and laboratory products.

Air-Shields Japan Co., Ltd. (50% owned)
Yokohama, Japan
Distributor of infant care equipment.

Narcomed S.A. (40% owned)
Mexico City, Mexico
Manufacturer of medical equipment.

Air-Shields South Africa (Pty) Ltd. (24% owned)
Republic of South Africa
Manufacturer and distributor of medical equipment.

Transfer Agent(s):

Girard Bank
1 Girard Plaza
Philadelphia, Pennsylvania 19102

Stock Exchange(s): New York

Ticker Symbol: NAO

Number of Employees:

1980	1,070	1977	1,707
1979	1,061	1976	1,616
1978	912		

Sales and Earnings

	Net Sales +	Net Income
1980	$ 69,494,000	$ (4,620,000)
1979	55,299,000	72,000
1978	49,416,000	3,738,000
1977	41,284,000	3,371,000
1976	35,086,000	2,935,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	1,832,000	$ —
1979	1,826,000	0.04
1978	1,803,000	2.07
1977	1,759,000	1.92
1976	1,743,000	1.68

(Loss)
+ Of continuing operations only.
‡ Based on weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.68	—	—
1979	0.68	—	—
1978	0.68	—	—
1977	0.62	—	—
1976	0.60	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 26,691,000	$14.57
1979	32,917,000	18.03
1978	33,880,000	18.79
1977	31,145,000	17.71
1976	28,713,000	16.47

Income Account

Year ended Nov. 30	1980	1979
Net sales	$ 69,494,000	$ 55,299,000
Cost of sales	41,126,000	31,409,000
Expenses	23,135,000	19,148,000
Research & devel.	1,735,000	1,582,000
Depreciation & amortization	918,000	671,000
Interest expense	2,402,000	1,333,000
Other income	(579,000)	(259,000)
Income before taxes	$ 757,000	$ 1,415,000
Income taxes	337,000	38,000
Inc.-cont. oper.	$ 420,000	$ 1,377,000
Loss-discont. oper.	(5,040,000)	1,305,000)
Net Income (Loss)	$ (4,620,000)	$ 72,000

Assets

As of Nov. 30	1980	1979
Cash	$ 648,000	$ 1,303,000
Accts. receiv., net	17,499,000	15,327,000
* Inventories	17,555,000	15,887,000
Prepaid expenses	1,025,000	1,067,000
Refundable taxes	1,879,000	1,303,000
Inc. tax prepay.	1,993,000	1,539,000
Discont. oper., net	—	7,810,000
Current Assets	$ 40,599,000	$ 44,236,000
Notes receiv.	5,758,000	—
\# Fixed assets	8,612,000	7,532,000
Defer. charges	2,261,000	2,242,000
Intangibles	1,552,000	1,622,000
Discont. oper., net	—	7,027,000
Total Assets	$ 58,782,000	$ 62,659,000

Liabilities

Long-term debt, curr.	$ 3,747,000	$ 2,571,000
Accts. payable	6,704,000	5,846,000
Accruals	5,759,000	3,957,000
Income taxes	1,338,000	618,000
Curr. Liabilities	$ 17,548,000	$ 12,992,000
Long-term debt	13,490,000	15,439,000
Accum. tax reduction	1,053,000	1,311,000
\+ Common stock	1,834,000	1,830,000
Add. paid-in capital	7,072,000	7,037,000
Retained earnings	17,790,000	24,055,000
Treasury stock	(5,000)	(5,000)
Total Liabilities & Shareholders' Equity	$ 58,782,000	$ 62,659,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Net Income to Equity	—	0.22
Sales to Inventories	3.96	3.48
Working Capital	$ 23,051,000	$ 31,244,000
Current Ratio	2.31	3.40
Shareholders' Equity	$ 26.691,000	$ 32,917,000

The Narda Microwave Corporation

75 Commercial Street
Plainview, New York 11803
(516) 349-9600

Officers: William A. Bourke, chairman of the board and president; Stuart D. Casper, exec. vice president; James E. McFarland, senior vice president; Bernard Leibowitz, vice president-operations; Arthur L. LeMay, v.p.-marketing; Harold S. Laver, v.p.-adm. & finance, James A. Eisenman, secretary.

Directors: William A. Bourke, Charles M. Block, Stuart D. Casper, John M. May, James E.McFarland, Peter Moffitt, James A. Eisenman, William H. McCracken.

Areas of Work: Engaged in the manufacture of microwave and ultra-high frequency (UHF) electronic test equipment, components and subsystems, including products for communication and radar systems, television stations, microwave relay systems, electromagnetic radiation monitoring devices to monitor radiation safety levels, and for navigation systems. These products are sold and distributed primarily to industrial laboratories, the aircraft, airline, communication, radar and television industries, and to various agencies of the United States Government.

Divisions and Subsidiaries:

Narda-Microwave Corporation
410 Lakeside Drive
Sunnyvale, California 94086
(408) 735-7500
Designs and produces microwave amplifiers utilizing bipolar transistors and gallium arsenide field transistors (GaAS FETs).

The Narda International Corporation
75 Commercial Street
Plainview, New York 11803
(516) 349-9600

The Narda Microwave Corporation

Transfer Agent(s):

Registrar and Transfer Co.
New York, New York 10006

Stock Exchange(s): American

Ticker Symbol: NRD

Number of Employees:

1979	401	1977	368
1978	412	1976	331

Plant Footage:

1979	95,800 sq. ft.	1977	95,800
1978	95,800	1976	89,200

Sales and Earnings

	Net Sales	Net Income
1980	$ 20,751,782	$ 1,201,282
1979	17,151,682	803,121
1978	13,010,206	316,710
1977	10,444,221	274,471
1976	10,619,890	154,970

	No. of Com. Shares +	Earn. per Share ‡
1980	1,122,044	$1.05
1979	1,053,141	0.75
1978	1,031,782	0.30
1977	1,062,817	0.26
1976	1,072,339	0.14

+ Adjusted to reflect stock split.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.20	—	3-for-2
1979	0.13	—	—
1978	0.13	—	—
1977	0.13	—	—
1976	0.13	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 6,512,143	$5.80
1979	5,266,614	5.00
1978	4,541,099	4.40
1977	4,442,407	4.18
1976	4,262,920	3.98

+ Adjusted to reflect stock split.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 20,751,782	$ 17,151,682
Cost of sales	11,607,494	10,023,185
Expenses	6,856,657	5,635,149
Interest expense	391,349	323,416
Income before taxes	$ 1,896,282	$ 1,169,932
Income taxes	695,000	366,811
Net Income	$ 1,201,282	$ 803,121

* Included in Costs and Expenses, Depreciation and Amortization: $538,000 in 1980 and $435,378 in 1979.

Assets

As of June 30	1980	1979
Cash & cert. of deposit	$ 539,264	$ 530,377
Accts. receiv., net	4,016,896	3,384,305
Refundable income taxes	9,769	22,016
* Inventories	5,791,329	3,475,361
Other assets	64,683	55,591
Current Assets	$ 10,421,941	$ 7,467,650
# Fixed assets	2,582,190	2,295,268
Other assets	85,962	49,489
Total Assets	$ 13,090,093	$ 9,812,407

Liabilities

Note payable	$ —	$ 1,302,604
Long-term debt, curr.	442,334	431,869
Accts. payable	1,433,773	573,815
Accruals	1,737,073	1,105,850
Income taxes	399,584	396,216
Curr. Liabilities	$ 4,012,764	$ 3,810,354
Long-term debt	2,565,186	735,439
+ Common stock	1,125,282	726,717
Add. paid-in capital	521,823	783,434
Retained earnings	4,877,655	3,851,196
Treasury stock	(12,617)	(94,733)
Total Liabilities & Shareholders' Equity	$ 13,090,093	$ 9,812,407

* At lower of cost (moving average) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.14	6.82
%Net Income to Sales	5.79	4.68
%Net Income to Equity	18.45	15.25
Sales to Inventories	3.58	4.94
Working Capital	$ 6,409,177	$ 3,657,296
Current Ratio	2.60	1.96
Shareholders' Equity	$ 6,512,143	$ 5,266,614

National Beryllia Corp.

Greenwood Avenue
Haskell, New Jersey 07420
(201) 839-1600

Officers: Melvin Eisenberg, president & chief executive officer; Mitchell Friedman, v.p.-operations; Krishna V. Agnihotri, v.p. & dir. technology; Robert J. Sisolak, v.p. & gen. mgr., Ceramic Systems Div.; Harry S. Axt, secretary, treasurer & chief financial officer.

Directors: Henry H. Arnhold*, Melvin Eisenberg*, Harold W. Ritchey, James K. Campbell*, Bruce A.MacNaughton*, Stanford S. Warshawsky, Charles J. Lawson, Herman Fialkov.

*Member of Executive Committee.

Areas of Work: Engaged in the manufacture and sale of ceramic and metal components used for discrete power transistors and diodes, integrated circuit and hybrid circuit devices electrical insulation, etc.

Acquisition(s):

Ceramic Systems (September 1980)
San Diego, California

A manufacturer of alumina ceramic multilayer interconnection components.

Transfer Agent(s):

Bradford Trust Company
One Executive Drive
Fort Lee, New Jersey 07024

Stock Exchange(s): Over-the-Counter

Plant Footage:

1980	78,000 sq. ft.	1977	78,000
1979	78,000	1976	75,000
1978	78,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 8,647,849	$ 870,369
1979	5,877,446	1,395,660
1978	5,031,302	348,794
1977	5,216,505	622,067
1976	4,341,057	130,066

	No. of Com. Shares	Earn. per Share ‡
1980	724,264	$1.20
1979	724,264	1.93
1978	724,264	0.48
1977	724,264	0.86

(Loss)
‡ Including extraordinary gains of $41,400 ($0.06 per share) in 1980, $645,628 ($0.89 per share) in 1979, $153,921 ($0.21 per share) in 1978, $286,449 ($0.40 per share) in 1977.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 4,214,476	$5.82
1979	3,344,107	4.62
1978	1,948,447	2.69
1977	1,599,653	2.21
1976	977,586	1.35

Income Account

Year ended June 30	1980	1979
Net sales	$ 8,647,849	$ 5,877,446
Cost of sales	6,294,604	3,844,956
Expenses	896,149	795,505
Depreciation	236,236	234,116
Interest expense	93,016	109,208
Interest income	(172,125)	(53,000)
Other income	—	(508,000)
Income before taxes	$ 1,299,969	$ 1,454,661
Income taxes	471,000	704,629
Net Income	$ 828,969	$ 750,032
Extraord. gain	41,400	645,628
Net Income & extraord. gain	$ 870,369	$ 1,395,660

Assets

As of June 30	1980	1979
Cash	$ 1,932,205	$ 1,472,070
Accts. receiv., net	1,310,735	1,027,752
* Inventories	1,182,619	910,092
Prepaid expenses & other current assets	152,288	136,594
Current Assets	$ 4,577,847	$ 3,546,508
# Fixed assets	1,526,279	1,513,032
Defer. charges	21,450	27,750
Total Assets	$ 6,125,576	$ 5,087,290

Liabilities

Long-term debt, curr.	$ 20,436	$ 18,963
Accts. payable	254,103	312,869
Accruals	295,482	273,890
Adv. pay. on contracts	—	52,761
Inc. taxes pay.	425,841	46,612
Other curr. liab.	56,492	55,507
Curr. Liabilities	$ 1,052,354	$ 760,602
Long-term debt	837,146	982,581
Deferred inc. taxes	21,600	—
+ Common stock	724,264	724,264
Add. paid-in capital	3,371,189	3,371,189
Retained earnings (deficit)	119,023	(751,346)
Total Liabilities & Shareholders' Equity	$ 6,125,576	$ 5,087,290

* At lower of cost (LIFO and FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	15.03	24.75
%Net Income to Sales	9.59	12.76
%Net Income to Equity	19.67	22.43
Sales to Inventories	7.31	7.54
Working Capital	$ 3,525,493	$ 2,785,906
Current Ratio	4.35	4.66
Shareholers' Equity	$ 4,214,476	$ 3,344,107

National Micronetics, Inc.

Sawkill Road
Kingston, New York 12401
(914) 338-0333

Mailing address:

P.O. Box 188
West Hurley, New York 12491

Officers: George O. Pfaff, chairman of the board; Ned W. Buoymaster, president: Kenneth E. Mortenson, exec. v.p.; Harry W. Bubnack, Wesley M. Robinson, Peter L. Fleischner, Roger A. Parker, vice presidents; Patrick A. Rivelli, v.p., & secretary; Edward S. Finnegan, v.p. & treasurer; Thomas R. Selig, group v.p.; E. Laughlin Flanagan, corp. controller.

Directors: George O. Pfaff, chairman of the board; Charles J. Lawson, Jr., Patrick R. Liles, H. DuBose Montgomery, Ned Buoymaster.

Areas of Work: Engaged in the manufacture and engineering of ferrites, advanced recording heads, head assemblies, very advanced components for hybrid integrated circuits and subminiature resistor chips.

Divisions:

Semi-Films Division
Micronetics Division
Pacific Division
Advanced Materials Division

Transfer Agent(s):

Bradford Trust Company
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NMIC (NASDAQ)

Number of Employees:

1980	300	1977	295
1979	300	1976	278
1978	300		

Plant Footage:

1980	71,221 sq. ft.	1977	71,221
1979	71,221	1976	71,221
1978	71,221		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 19,824,000	$ (226,000)
1979	19,657,000	2,265,468
1978	11,890,000	1,674,303
1977	6,134,000	599,985
1976	4,388,000	(943,041)

	No. of Com. Shares	Earn. per Share ‡ #
1980	1,915,001	$ —
1979	1,879,951	1.28
1978	1,478,751	1.12
1977	1,440,976	0.42
1976	1,440,976	—

(Loss)
‡ Including extraordinary gains of $772,000 ($0.52 per share) in 1978 and $312,000 ($0.22 per share) in 1977.
# Based on the weighted average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Recording head prods.	$ 16,390	$ 16,840
Microelectronic components	3,434	2,817
Total	$ 19,824	$ 19,657

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 7,232,174	$3.78
1979	7,303,138	3.88
1978	2,439,759	1.65
1977	645,497	0.45
1976	45,512	0.03

Income Account *

Year ended June 30	1980	1979
Net sales	$ 19,824,090	$ 19,657,004
Cost of sales	16,310,627	12,635,914
Research, develop. & engin.	1,000,246	1,094,632
Expenses	2,835,772	2,394,252
Interest expense	440,470	124,738
Income (loss) before taxes	$ (763,026)	$ 3,407,468
Income taxes (credit)	(537,327)	1,142,000
Net Income (Loss)	$ (225,699)	$ 2,265,468

* Included in Costs and Expenses, Depreciation and Amortization: $578,287 in 1980 and $424,608 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 699,986	$ 3,236,937
Accts. receiv., net	2,508,180	2,140,507
* Inventories	5,242,151	4,833,083
Prepaid expenses	26,548	22,968
Refund. inc. taxes	645,247	—
Current Assets	$ 9,122,112	$ 10,233,495
# Fixed assets	4,939,213	4,450,659
Other assets	38,595	49,348
Total Assets	$ 14,099,920	$ 14,733,502

Liabilities

	1980	1979
Long-term debt, curr.	$ 522,580	$ 507,606
Accts. payable	1,249,300	2,205,800
Accruals	506,463	443,950
Accrued payroll	327,752	543,672
Inc. taxes payable	250	1,074,483
Curr. Liabilities	$ 2,606,345	$ 4,775,511
Long-term debt	4,127,401	2,542,853
Deferred credit	89,500	112,000
Deferred inc. taxes	44,500	—
+ Common stock	191,500	187,995
Add. paid-in capital	4,967,185	4,815,955
Retained earnings	2,073,489	2,299,188
Total Liabilities & Shareholders' Equity	$ 14,099,920	$ 14,733,502

* At lower of standard cost or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	—	17.33
%Net Income to Sales	—	11.52
%Net Income to Equity	—	31.02
Sales to Inventories	3.78	4.07
Working Capital	$ 6,515,767	$ 5,457,984
Current Ratio	3.50	2.14
Shareholders' Equity	$ 7,232,174	$ 7,303,138

National Semiconductor Corporation

2900 Semiconductor Drive
Santa Clara, California 95051
(408) 737-5000

Officers: Charles E. Sporck, president & chief exec. officer; David N. Martin, v.p. & exec. v.p., National Advanced Systems; F. Joseph Van Poppelen, v.p.-semiconductor marketing; Roy J. Brant, v.p.-human relations; Robert R.Heikes, v.p.-managing director, Europe & Latin America; John R. Finch, v.p.; E. Floyd Kvamme, v.p. & pres. National Advanced Systems; Fred B. Bialek, v.p.-general manager, Systems Div. & Consumer Products Div.; C. Edward Pausa, v.p.-international manufacturing; E. Joseph Willits, v.p.-finance & secretary; Pierre R. Lamond, v.p.-technical director; John L.Nesheim, treasurer; Patrick Verderico, controller; John G. Webb, general counsel.

Directors: Peter J. Sprague, chairman; Donald E. Weeden, Charles E. Sporck, Robert Beshar, Harry H. Wetzel, Neil Goldschmidt.

Areas of Work: Engaged in the manufacture of monolithic integrated circuits, transistors, semiconductor devices and hybrid integrated circuits which are used in amplifying, switching, gating, commutating elements in telemetry, data processing and multiplexing; also high reliability testing, calculators, electronic watches, watch and clock modules, and POS electronic check-out systems.

Divisions:

Semiconductor Division
Consumer Products Division
Systems Division

Subsidiaries:

National Semiconductor (Pte.) Limited
Republic of Singapore

National Semiconductor Hong Kong Ltd.
Hong Kong

National Semiconductor (U.K.) Limited
United Kingdom

National Semiconductor S.A.R.L.
France

National Semiconductor GmbH
Germany

N.S. Electronics SDN BHD
Malaysia

N.S. Electronics, Limited
Thailand

Dyna-Craft, Inc.
California

N.S. International, Inc.
Delaware

N.S. Disco, Inc.
Delaware

P.T. NS Electronics Bandung
Indonesia

N.S. Electronics do Brasil
Brazil

NS Electronics, Ltd.
Canada

EXSYSCO, Inc.
Delaware

N.S. Electronics Philippines, Inc.
Philippines

N.S. Electronics Pty. Ltd.
Australia

Transfer Agent(s):

First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): New York, Pacific

Ticker Symbol: NSM

Number of Employees:

1980	40,263	1977	21,660
1979	32,344	1976	23,726
1978	26,733		

Sales and Earnings

	Net Sales	Net Income
1980	$980,363,000	$ 52,339,000
1979	719,740,000	34,262,000

1978	494,336,000	22,497,000
1977	387,336,000	10,184,000
1976	325,097,000	18,953,000

	No. of Com. Shares #	Earn. per Share #
1980	20,308,000	$2.58
1979	19,975,000	1.72
1978	19,622,000	1.15
1977	19,683,000	1.72
1976	19,740,000	2.58

# Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$225,904,000	$11.12
1979	168,000,000	8.41
1978	131,177,000	6.69
1977	107,048,000	5.44
1976	93,847,000	4.75

‡ Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended May 31	1980	1979
Net sales	$ 980,363	$ 719,740
Cost of sales	666,436	495,029
Expenses	209,010	156,897
Interest expense	11,118	5,532
Income before taxes	$ 93,799	$ 62,282
Income taxes	41,460	28,020
Net Income	$ 52,339	$ 34,262

* Included in Costs and Expenses, Depreciation and Amortization: $45,017,000 in 1980 and $31,318,000 in 1979.

Assets
(000's)

As of May 31	1980	1979
Cash	$ 7,466	$ 8,266
Receiv., net	163,164	105,029
* Inventories	170,302	125,437
Prepaid expenses	8,910	5,717
Current Assets	$ 349,842	$ 244,449
# Fixed assets	205,791	135,000
Other assets	5,722	5,803
Total Assets	$ 561,355	$ 385,252

Liabilities
(000's)

Loans payable	$ 8,716	$ 35,317
Accts. payable	73,033	49,897
Accruals	63,464	36,146
Income taxes	14,901	20,876
Other liabilities	12,982	6,172
Curr. Liabilities	$ 173,096	$ 148,408
Loans payable	96,800	26,970
Other liabilities	2,221	2,078
Deferred inc. taxes	63,334	39,796
+ Common stock	10,076	6,603
Add. paid-in capital	35,886	33,794
Retained earnings	179,942	127,603
Total Liabilities & Shareholders' Equity	$ 561,355	$ 385,252

* At lower of standard cost (which approximates actual cost) or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.57	8.65
%Net Income to Sales	5.34	4.76
%Net Income to Equity	23.17	20.39
Sales to Inventories	5.76	5.74
Working Capital	$176,746,000	$ 96,041,000
Current Ratio	2.02	1.65
Shareholders' Equity	$225,904,000	$168,000,000

NCR Corporation

1700 South Patterson Boulevard
Dayton, Ohio 45479
(513) 445-5000

Officers: William S. Anderson, chairman of the board; C.E. Exley, Jr., president; Manuel Garcia, sr. v.p.-executive officer; D.L. McIntosh, sr. v.p.-finance & administration; V.F. Bean, v.p.-corp. field engineering; R.C. James, v.p.-Office Systems; D.G. Laws, v.p.-corporate product management; Tom T. Tang, v.p.-research & development; J.E. Rambo, v.p. & general counsel; C.E. Reynolds, v.p.; D.W. Russler, v.p. & controller; B.L. Shafer, v.p.-personnel resources; Norman A. Cocke, treasurer; P.W. Lappetito, sr. v.p., United States Data Processing Group; D.J. McCarthy, v.p., Retail Systems Division; A.J.R. Oosthuizen, v.p., Commercial-Industrial/Medical-Education-Government Systems Division; R.B. Reese, v.p., Field engineering division; W.F. Walsh, v.p.-Financial Systems Division; G. Bassani, v.p.-Latin America; H.M. Schene, v.p.-Europe; R.E. White, v.p.-Middle East/Africa; G.P. Williamson, v.p.-Pacific; H.R. Wise, v.p., Regional Services & Distributor Marketing; W.F. Buster, sr. v.p.-Development & Production Group; D.L. Clark, v.p.-Financial Systems Divisin; D.E. Coleman, v.p. CI/MEG Systems Division; C.N. Jorgensen, v.p.-Group Staff; R.K. Kruse, v.p.-Retail Systems Divisin; H.J. Lynch, v.p.-General Purpose Systems Division; J.H. Van Tassel, v.p.-Microelectronics Division; E.J. McHugh, v.p.-Systemedia Group; D.J. Herman, v.p. & pres., NCR Comten, Inc.

Directors: William S. Anderson, chairman of the board; C.A. Anderson, W.G. Bowen, N.F. Brady, G.A. Costanzo, C.E. Exley, Jr., C.H. Hardesty, Jr., H. Holiday, Jr., J.J. Horan, C.S. Morawetz, J.E. Rambo, E.J. Schlegel, R.L. Terrell.

Areas of Work: Develops, manufactures, markets, installs and services total business information processing systems for selected worldwide markets. These markets are primarily in the retail, financial, commercial, industrial, healthcare, education, and government sectors. Computers range from small business systems to the most powerful general-purpose processors, and are supported by a complete spectrum of terminals, peripherals, data communications networks and an extensive library of software products. Supplemental services and products include field engineering, data centers, systems services, educational centers, and a compehensive line of medica.

Divisions:

The Systemedia Group

Business Forms Division

Business forms and supplies are manufactured in 9 U.S. plants and 44 overseas facilities, and are sold to both NCR and non-NCR equipment users.

The Micrographic Systems Division
Mountain View, California

Manufactures and markets a complete line of Computer Output Microfiche recorders, processors, and readers and is one of the three largest suppliers of COM equipment.

NCR Comten, Inc.
St. Paul, Minnesota & New Bedford, New Jersey

Produces, markets, and services programmable communications processors, proprietary communications software, and computer performance measurement products.

Engineering and Manufacturing Group

Consists of three divisions—a Computer and Communications Systems Division, a Terminals and Subsystems Division, and a Components and Support Division, and comprises 24 operating units in 10 countries. These consist of 16 engineering and manufacturing plants, 3 microelectronics design and fabrication facilities, and 5 systems engineering units each with its own specific product charter.

Major Subsidiaries:

- NCR Comten, Inc.
- NCR DIS Corp.
- NCR Argentina SAIC
- NCR Australia Pty. Ltd.
- NCR Canada Ltd.
- NCR France, S.A.
- NCR Denmark S.A.
- NCR GmbH (Germany)
- NCR Japan, Ltd.
- NCR De Mexico, S.A. de C.V.
- NCR Nederland N.V.
- NCR Espana, S.A.
- NCR (Switzerland)
- NCR Limited (United Kingdom)

In addition to the above list are 69 other subsidiaries and affiliates.

Acquistion(s):

Applied Digital Data Systems Inc. (11-7-80)
100 Marcus Boulevard
Hauppauge, New York 11787
(516) 231-5400

Designs, manufactures and markets video display compter terminals which serve as input/output devices for the capture of digital data and its transmission between computers and human operators.

Transfer Agent(s):

Morgan Guaranty Trust Company
of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York, London, Main Swiss Exchanges.

Number of Employees:

1980	68,000	1977	64,000
1979	67,000	1976	65,000
1978	62,000		

Plant Footage:

1980	6,150,000 sq. ft.	1977	9,500,000
1979	6,150,000	1976	6,000,000
1978	7,250,000		

Sales and Earnings

	Net Sales ‡ + (000's)	Net Income (000's)
1980	$ 3,322,370	$ 254,686
1979	3,002,640	234,602
1978	2,610,520	318,004†
1977	2,311,939	142,470
1976	2,135,967	95,614

	No. of Com. Shares	Earn. per Share
1980	26,644,369	$9.51
1979	26,214,605	8.78
1978	26,169,225	11.85†
1977	26,374,374	5.31
1976	25,989,091	3.75

‡ Includes income from sales, services and equipment rental.
+ Of continuing operations only.
† Includes sale of Appleton Papers Division.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.00	—	—
1979	1.60	—	—
1978	1.00	—	—
1977	0.80	—	—
1976	0.72	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$ 1,704,386,000	$63.97
1979	1,476,186,000	56.32
1978	1,298,191,000	49.66
1977	1,017,740,000	38.64

‡ After allowing for preferred stock at par value.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 2,034,576	$ 1,840,237
Rentals and services	1,287,794	1,162,403
Revenues	$ 3,322,370	$ 3,002,640
Cost of sales	1,626,027	1,485,111
Expenses	1,240,042	1,101,462
Other income	(68,587)	(72,643)
Interest expense	55,877	39,656
Income before taxes	$ 469,011	$ 449,054
Income taxes	201,700	211,055
Minority interests	12,625	3,397
Net Income	$ 254,686	$ 234,602

* Included in Costs and Expenses, Depreciation: $227,101,000 in 1980 and $209,672,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash & investments	$ 119,063	$ 148,253
Receiv., net	1,009,807	954,275
Def. inc. taxes	33,604	74,976
* Inventories	1,017,550	748,558
Prepaid expenses	57,003	20,976
Current Assets	$ 2,237,027	$ 1,947,038
# Rental equip.	277,441	253,614
# Fixed assets	517,415	432,505
Goodwill	136,132	115,144
Deferred inc. taxes	34,870	40,468
Other assets	163,570	129,666
Total Assets	$ 3,366,455	$ 2,918,435

Liabilities
(000's)

	1980	1979
Notes payable	$ 148,055	$ 107,275
Commercial paper	168,592	—
Long-term debt, curr.	19,177	10,971
Accts. payable	127,140	110,354
Accruals	348,493	311,665
Accrued taxes	145,043	190,761
Deposits & Prepayments	243,714	234,341
Curr. Liabilities	$ 1,200,214	$ 965,367
Long-term debt	321,540	344,568
Int'l. emp. pension & reserves	74,906	75,605
Minority interest	65,312	56,582
+ Preferred stock	97	127
+ + Common stock	407,112	411,420
Retained earnings	1,303,846	1,102,096
Treasury stock	(6,572)	(37,330)
Total Liabilities & Shareholders' Equity	$ 3,366,455	$ 2,918,435

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $5 par value, $1.25 cumulative convertible.
+ + $5 par value.

Statistical Summary

%Income bef. Taxes to Revenues	14.12	14.96
%Net Income to Revenues	7.671	7.81
%Net Income to Equity	14.94	15.89
Working Capital	$1,036,813,000	$ 981,671,000
Current Ratio	1.86	2.02
Shareholders' Equity	$1,704,483,000	$1,476,313,000

Networks Electronic Corp.

9750 De Soto Avenue
Chatsworth, California 91311
(213) 341-0440

Officers: Mihai D. Patrichi, chairman of the board, president and treasurer; Robert G. Bitters, executive v.p. and general manager; Charles R. Iannotti, v.p.; Robert W. Gruning, v.p.-Bearings Division; O.C. Smith, v.p.-Ordnance Division; George Hayek, v.p.-chemical operation; Michael P.D. Patrichi, secretary.

Directors: Mihai D. Patrichi, Michael P.D. Patrichi, Charles R. Iannotti, Kenneth S. Yamamoto.

Areas of Work: Produced and marketed are spherical bearings used in the aircraft industry, and thermal relay switches, glass-to-metal seals and miniaturized electro-pyro-technical devices used in the missile and space industry.

Transfer Agent(s):
United California Bank
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NWRK (NASDAQ)

Number of Employees:
1980 . . . . . . 140 1979 117

Plant Footage:
1980 . . . . . . 85,000 sq. ft. 1979 85,000

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 5,605,883	$ 438,891
1979	3,864,271	27,865
1978	3,016,468	177,662
1977	1,782,505	21,203
1976	1,637,033	124,638

	No. of Com. Shares	Earn. per Share ‡ #
1980	1,054,036	$0.41
1979	1,080,282	0.03
1978	1,121,382	0.16
1977	1,121,382	0.02
1976	1,121,382	0.11

‡ Including extraordinary gains of $5,832 in 1978, $2,531 in 1977, $33,643 ($0.03 per share) in 1976.
# Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,179,047	$2.07
1979	1,805,475	1.67
1978	1,871,180	1.67
1977	1,693,518	1.51
1976	1,672,315	1.49

Income Account *

Year ended June 30	1980	1979
Net sales	$ 5,605,883	$ 3,864,271
Cost of sales	3,884,113	2,925,989
Expenses	950,136	792,989
Interest expense	97,910	114,542
Income before taxes	$ 673,724	$ 30,751
Income taxes	234,833	2,886
Net Income	$ 438,891	$ 27,865

* Included in Costs and Expenses, Depreciation and Amortization: $124,786 in 1980 and $109,906 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 369,568	$ 216,609
Accts. receiv., net	1,067,123	824,814
* Inventories	1,256,702	825,166
Prepaid expenses	22,930	32,824
Deferred inc. taxes	29,363	3,764
Current Assets	$ 2,745,686	$ 1,903,177
Investments	41,104	41,104
# Fixed assets	1,513,885	1,459,501
Total Assets	$ 4,300,675	$ 3,403,782

Liabilities

	1980	1979
Notes payable	$ —	$ 75,000
Long-term debt, curr.	34,422	23,325
Accts. payable	535,100	266,564
Accruals	312,327	205,314
Income tax	234,953	—
Curr. Liabilities	$ 1,116,802	$ 570,203
Long-term debt	945,612	980,104
Deferred inc. taxes	59,214	48,000
+ Common stock	575,174	575,174
Add. paid-in capital	1,204,165	1,269,484
Retained earnings (deficit)	399,708	(39,183)
Total Liabilities & Shareholders' Equity	$ 4,300,675	$ 3,403,782

* At lower of cost (moving average) or market.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.02	0.80
%Net Income to Sales	7.83	0.72
%Net Income to Equity	20.14	1.54
Sales to Inventories	4.46	4.68
Working Capital	$ 1,628,884	$ 1,332,974
Current Ratio	2.46	3.34
Shareholders' Equity	$ 2,179,047	$ 1,805,475

New Brunswick Scientific Co., Inc.

P.O. Box 986
44 Talmadge Road
Edison, New Jersey 08817
(201) 287-1200

Officers: David Freedman, president; Sigmund Freedman, secretary & treasurer; Myron Tanenbaum, Ezra Weisman, vice presidents; Carmine Masucci, v.p.-engineering; Daniel Bull, v.p. & technical director; Stephen Rothstein, controller.

Directors: David Freedman, Sigmund Freedman, Julius Berger, Daniel Bull, Kiyoshi Masuda, Martin Seigel, Ezra Weisman, Stephen Rothstein, Hyman Center.

Areas of Work: Manufactures a range of research apparatus and instrumentation fo. the growth, measurement and control of biochemical processes in the life sciences. Also manufactures controlled environment incubation equipment in a variety of models; biologicbl shakers; research fermentors; freeze dryers, tissue culture apparatus and bacterial detection equipment; metering pumps, contrifigation and ultrasonic processing equipment.

Subsidiaries:
New Brunswick Tool & Die Co., Inc.
New Brunswick Scientific Sales Co.
New Brunswick Scientific International, Inc.
New Brunswick Scientific (U.K.) Limited

Transfer Agent(s):
American Transfer Company
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NBSC (NASDAQ)

New Brunswick Scientific Co., Inc.

Sales and Earnings

	Net Sales	Net Income
1980	$ 16,524,822	$ 650,248
1979	12,020,320	468,473
1978	10,389,245	862,246
1977	7,600,019	(182,042)
1976	8,169,585	191,447

	No. of Com. Shares †	Earn. per Share #
1980	2,265,428	$0.29
1979	2,234,128	0.21
1978	2,234,128	0.39
1977	2,234,128	—
1976	2,234,128	0.09

(Loss)

Based on weighted average number of shares outstanding adjusted to reflect stock split.

† Adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 6,889,331	$3.04
1979	6,199,979	2.78
1978	5,731,506	2.57
1977	4,867,135	2.18
1976	5,049,177	2.26

† Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 16,524,822	$ 12,020,320
Cost of sales	11,037,713	8,064,556
Expenses	3,909,162	2,941,904
Interest expense	331,054	246,087
Income before taxes	$ 1,246,893	$ 767,773
Income taxes	596,645	299,300
Net Income	$ 650,248	$ 468,473

* Included in Costs and Expenses, Depreciation and Amortization: $260,595 in 1980 and $207,266 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 343,525	$ 426,091
Cert. of deposit	123,990	261,852
Accts. receiv., net	3,143,693	2,737,232
* Inventories	6,878,149	5,278,500
Prepaid expenses	64,899	154,761
Current Assets	$ 10,554,256	$ 8,858,436
# Fixed assets	3,495,054	3,147,712
Other assets	97,011	118,306
Total Assets	$ 14,146,321	$ 12,124,454

Liabilities

	1980	1979
Notes payable	$ 1,319,994	$ 373,209
Long-term debt, curr.	85,079	64,200
Accts. payable	2,542,777	2,042,775
Advances	124,330	593,500
Income taxes	256,114	13,771
Curr. Liabilities	$ 4,328,294	$ 3,087,455
Long-term debt	2,839,076	2,764,500
Deferred inc. taxes	89,620	72,520
+ Common stock	141,589	139,633
Add. paid-in capital	2,163,797	2,126,649
Retained earnings	4,583,945	3,933,697
Total Liabilities & Shareholders' Equity	$ 14,146,321	$ 12,124,454

* At lower of cost (FIFO, average or actual) or market.

# Less accumulated depreciation.

+ $0.0625 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	7.55	6.39
%Net Income to Sales	3.93	3.90
%Net Income to Equity	9.44	7.56
Sales to Inventories	2.40	2.28
Working Capital	$ 6,225,962	$ 5,770,981
Current Ratio	2.44	2.87
Shareholders' Equity	$ 6,889,331	$ 6,199,979

Newport Electronics, Inc.

(formerly Newport Laboratories, Inc.)

630 East Young Street
Santa Ana, California 92705
(714) 540-4914

Officers: Robert H. Davis, chairman; Barret B. Weekes, president; Norman E. Gray, executive vice president; Albert Johnson, v.p.-marketing; Nicholas Testa, v.p.-operations; Richard R. Sandburg, v.p.-finance & treasurer; Karl Hinrichs, v.p.-engineering; John Virtue, secretary.

Directors: Robert H. Davis, Norman E. Gray, William R. Hambrecht, George C. Pratt, John Virtue, Barret B. Weekes, Roy L. Rogers.

Areas of Work: Engaged in design, manufacture and marketing of precision digital electronic measurement and recording equipment, including digital voltmeters, data amplifiers, digital thermometers, counters, and complementary and special instruments. Also manufactures complementary products such as printers, digital clocks and temperature scanning system.

Subsidiaries:

Newport Electronics International, Inc. (DISC)
Santa Ana, California

Newport Electronics GmbH
6-82 Dreieich 1
Max Planck Strasse 13
Postfach 102163
West Germany

Newport Electronics B.V.
P.O. Box 7759
Building 70
Schiphol-East
The Netherlands

Newport Electronics Ltd.
Red Firs Building
Maxwell Road
Stevenage Hertz 2G1 2EW
United Kingdom

Transfer Agent(s):

U.S. Stock Transfer Corporation
Beverly Hills, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NEWE (NASDAQ)

Number of Employees:

1980	205	1977	174
1979	222	1976	150
1978	235		

Plant Footage:

1980	35,000 sq. ft.	1977	35,000
1979	35,000	1976	35,000
1978	35,000		

Sales and Earnings

	Net Sales +	Net Income ‡
1980	$ 10,442,000	$ 179,000
1979	11,425,000	884,000
1978	9,128,000	616,000
1977	6,743,140	373,164
1976	5,134,826	285,042

	No. of Com. Shares	Earn. per Share × ‡
1980	1,169,651	$0.15
1979	1,153,951	0.75
1978	1,136,451	0.59
1977	991,851	0.35
1976	1,111,489	0.25

+ Of continuing operations only.

‡ Including extraordinary loss of $56,970 ($0.05 per share) in 1977.

× Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 4,223,000	$3.61
1979	4,025,000	3.49
1978	3,072,000	2.70
1977	1,992,624	2.01
1976	1,769,657	1.59

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 10,442,000	$ 11,425,000
Cost of sales	6,336,000	7,105,000
Prod. develop.	603,000	563,000
Expenses	2,880,000	2,194,000
Income before taxes	$ 623,000	$ 1,563,000
Income taxes	444,000	679,000
Net Income	$ 179,000	$ 884,000

* Included in Costs and Expenses, Depreciation and Amortization: $233,000 in 1980 and $180,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 304,000	$ 436,000
Accts. & notes receiv., net	2,038,000	1,877,000
* Inventories	2,829,000	2,750,000
Inc. taxes receiv.	191,000	—
Prepaid expenses	74,000	59,000
Current Assets	$ 5,436,000	$ 5,122,000
# Fixed assets	827,000	659,000
Other assets	43,000	89,000
Total Assets	$ 6,306,000	$ 5,870,000

Liabilities

	1980	1979
Notes payable	$ 400,000	$ —
Long-term debt, curr.	40,000	40,000
Accts. payable	486,000	316,000
Accruals	668,000	569,000
Income taxes	169,000	560,000
Curr. Liabilities	$ 1,763,000	$ 1,485,000
Long-term debt	320,000	360,000
+ Common stock	12,000	12,000
Add. paid-in capital	1,295,000	1,276,000
Retained earnings	2,916,000	2,737,000
Total Liabilities & Shareholders' Equity	$ 6,306,000	$ 5,870,000

* At lower of average cost or market.

# Less accumulated depreciation.

+ $0.01 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	5.97	13.68
%Net Income to Sales	1.71	7.74
%Net Income to Equity	4.24	21.96
Sales to Inventories	3.69	4.15
Working Capital	$ 3,673,000	$ 3,637,000
Current Ratio	3.08	3.45
Shareholders' Equity	$ 4,223,000	$ 4,025,000

Nicolet Instrument Corporation

5225 Verona Road
Madison, Wisconsin 53711
(608) 271-3333

Officers: Donald D. Haselhorst, president & chief executive officer; John B. Krauss, exec. v.p.; Anthony P.H. Chan, Marshall H. Krone, Patrick D. Lynch, Robert E. Penrod, Robert W. Schumann, Henry J. Bickel, Patrick D. Lynch, Arthur F. Smith, Peter Langner, v.p.'s; Keith Brue, v.p. & chief financial officer; L.V. Ackman, secretary.

Directors: L.V. Ackman, Wesley J. Anderson, Henry J. Bickel, Donald D. Haselhorst, Robert W. Schumann, Joseph C. Winslow, Patrick D. Lynch, Doris Drucker, John B. Krauss.

Areas of Work: Designs and manufactures sophisticated electronic measurement instrumentation, including "signal averagers" and spectrum and statistical analyzers. Also engaged in the field of computer-aided data acquisition and processing, digital graphics and computer assisted design.

Divisions and Subsidiaries:

Nicolet Scientific Corporation
245 Livingston Street
P.O. Box 159
Northvale, New Jersey 07647

Designs and manufactures signal-processing instruments which perform spectrum analysis, correlation, signal averaging, and statistical analysis.

Nicolet XRD Corporation
10061 Bubb Road
Cupertino, California 94041

Nicolet CAD Corporation
2450 Whitman Road
Concord, California 94518

Nicolet Magnetics Corporation
145 East Dana Street
Mountain View, California 94041
(415) 969-2076

Engaged in the field of analytical chemistry involving spectroscopy.

Nicolet Instrument GmbH
6050 Offenbach am Main
Senefelderstrasse 162
West Germany

Nicolet Instruments Limited
Budbrooke Road
Warwick, Warwickshire
England

Nicolet Instrument Canada Limited
1-1200 Aerowood Drive
Mississauga, Ontario L4W 2S7 Canada

Analytical Instruments Division
5225 Verona Road
Madison, Wisconsin 53711

Biomedical Instruments Division
5225 Verona Road
Madison, Wisconsin 53711

Nicolet Oscilloscope Division
5225 Verona Road
Madison, Wisconsin 53711

Nicolet Japan Corporation
Daisho Building 10F
6-7-8 Nishi-Nakajima
Nishinakajima, Yodogawa-ku
Osaka 532, Japan

Nicolet Zeta Corp.
2300 Stanwell Drive
Concord, California 94520
(415) 671-0600

Manufacturer of digital graphic plotters.

Nicolet Instrument S.A.R.L.
Z-1-Gatines
Rue Elsa Triolet
78370 Plaisir, France

Nicolet Instrument B.V.
Zuiderinslag 4
3871-MR Hoevelaken
The Netherlands

Nicolet Instrument A.B.
Sagvagen 2
S-184-00 Akersberga
Sweden

Transfer Agent(s):

First National Bank of Minneapolis
Minneapolis, Minnesota

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NICO (NASDAQ)

Number of Employees:

1981	956	1978	410
1980	902	1977	381
1979	570	1976	335

Plant Footage:

1981	95,000 sq. ft.	1978	45,000
1980	95,000	1977	30,000
1979	60,000		

Sales and Earnings

	Net Sales	Net Income
1981	$ 77,394,000	$ 4,791,000
1980	56,173,000	4,230,000
1979	34,458,000	2,774,000
1978	24,807,000	1,822,000
1977	17,312,476	1,209,844

	No. of Com. Shares #	Earn. per Share #
1981	4,800,000	$1.00
1980	4,224,000	1.00
1979	3,780,000	0.73
1978	3,377,000	0.54
1977	2,700,000	0.45

# Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1981	$0.24	—	—
1980	0.16	—	3-for-2
1979	0.11	—	3-for-2
1978	0.07	—	—
1977	0.06	—	3-for-2

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share #
1981	$ 31,845,000	$6.63
1980	27,545,000	6.52
1979	14,639,000	3.87
1978	11,157,000	3.30
1977	6,445,180	2.39

Income Account *

Year ended	3/27/81	3/28/80
Net sales	$ 77,394,000	$ 56,173,000
Cost of sales	32,919,000	23,899,000
Expenses	34,195,000	23,489,000
Interest expense	1,889,000	1,025,000
Income before taxes	$ 8,391,000	$ 7,760,000
Income taxes	3,600,000	3,530,000
Net Income	$ 4,791,000	$ 4,230,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,006,000 in 1979.

Assets

As of	3/27/81	3/28/80
Cash	$ 653,000	$ 845,000
Marketable securities	2,455,000	—
Receiv., net	20,840,000	16,639,000
* Inventories	19,045,000	16,102,000
Prepaid expenses	845,000	1,268,000
Current Assets	$ 43,838,000	$ 34,854,000
# Fixed assets	11,514,000	7,983,000
Intangibles	3,419,000	3,355,000
Other assets	1,577,000	897,000
Total Assets	$ 60,348,000	$ 47,089,000

Liabilities

Notes payable	$ 4,202,000	$ 3,356,000
Long-term debt, curr.	229,000	270,000
Accts. payable	5,347,000	4,685,000
Accruals	2,257,000	1,825,000
Employee compens.	3,395,000	2,351,000
Income taxes	760,000	1,654,000
Curr. Liabilities	$ 16,190,000	$ 14,141,000
Long-term debt	12,313,000	5,403,000
+ Common stock	1,197,000	1,181,000
Add. paid-in capital	15,414,000	14,781,000
Retained earnings	15,234,000	11,583,000
Total Liabilities & Shareholders' Equity	$ 60,348,000	$ 47,089,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.84	13.81
%Net Income to Sales	6.19	7.53
%Net Income to Equity	15.04	15.36
Sales to Inventories	4.06	3.49
Working Capital	$ 27,648,000	$ 20,713,000
Current Ratio	2.71	2.46
Shareholders' Equity	$ 31,845,000	$ 27,545,000

Norlin Corporation

Weschester One
White Plains, New York 10601
(914) 683-0001

Officers: Norton Stevens, chairman of the board, president & chief exec. officer; James McGuiness, David B. Nichinson, sr. v.p.'s; James J. Connors, Martin D. Locke, v.p.'s; Gilbert A. Simpkins, sr. v.p.-finance & chief financial officer, Zachary Marantis, v.p. & general counsel; Charles A. Butler, treasurer; Stewart E. Lavey, secretary; Donald L. Flamm, controller.

Directors: James McGuiness, James K. Baker, Harold Krensky, Edward R. McPherson, Jr., Katharine T. O'Neil , Eli Shapiro, Gilbert A. Simpkins, David B. Nichinson, Norton Stevens.

Areas of Work: Engaged in the processing of selected materials, design and manufacture of instruments and devices and the development of advanced electronic equipment for industrial and government markets.

Goverment Group:

Engaged in the engineering, development and manufacture of advanced special purpose surveillance receivers and electronic switching systems. In addition to basic receivers, the product line includes switching matrices, multicouplers, amplifiers, signal processing and display components. Also provides microwave oscillators and specified transmitters and receivers for application in ground and airborne communications, radar and test equipment.

Norlin Corporation

Industrial Group:

Produces natural and synthetic quartz crystal blanks sold directly to manufacturers of crystal oscillators and filters, products which are used in the communications, electronics and watch industries to regulate frequencies in systems. Also sells precision finishing equipment, which is used primarily in silicon, ceramic, ferrite, metal and quartz finishing operations.

Designs and manufactures circuit breakers and motor protectors for commercial military aircraft, spacecraft, appliance motors, appliances, computer equipment and other commercial and industrial products. Also manufactures circuit protection devices for low-power household and industrial equipment, component circuits, and household appliances; AC power sources, frequency converters and line regulators under the Cimron trademark; multichannel monitor oscilloscopes and special measurement systems.

Subsidiaries:

Norlin Industries, Inc.
Manufacture[illegible]board instruments, fretted instruments, moog synthesizers.

Norlin Technology Division
200 Park Avenue
New York, New York 10017
(212) 883-0480

Norlin Communications
Electronic surveillance equipment and systems.

Keltec Florida
Specialized high performance power sources.

P.R. Hoffman
Processors of quartz and other crystalline materials.

Carbidie
Tungsten carbide preforms for die and wear applications.

National Carbide Die
Tools and dies for compacting powder metal parts.

Mechanical Products
Circuit protection devices.

California Instruments
Instruments for measurement and control functions, specialized power and frequency sources.

Norlin International
Casilla No. 8379
Guayaquil 395 233
Ecuador
Brewer of Pilsener, Club, Malta and Lowenbrau beer.

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016

Stock Exchange(s): New York

Ticker Symbol: NRL

Number of Employees:

1980	5,700	1977	6,000
1979	6,100	1976	6,000
1978	6,200		

Sales and Earnings

	Net Sales	Net Income
1980	$ 275,522,000	$ (3,866,000)
1979	274,874,000	9,795,000
1978	269,042,000	9,213,000
1977	238,937,000	9,011,000
1976	212,670,000	6,884,000

	No. of Com. Shares †	Earn. per Share †
1980	1,880,000	$ —
1979	1,879,000	5.21
1978	1,878,000	4.91
1977	1,875,000	4.81
1976	1,875,000	3.67

(Loss)
† Based on the average number of common shares outstanding.

Revenues By Line of Business

	1980 (000's)	%	1979 (000's)	%
Music	128,000	46	147,300	54
International	88,500	33	74,100	27
Technology	59,000	21	53,500	19
Total	275,500	100%	274,900	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.80	—	—
1979	1.60	—	—
1978	1.60	—	—
1977	1.3625	—	—
1976	1.25	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 92,681,000	$49.30
1979	98,031,000	52.17
1978	91,241,000	48.57
1977	85,000,000	45.33
1976	78,543,000	41.89

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 275,522	$ 274,874
Other income	7,328	5,721
Total Income	$ 282,850	$ 280,595
Cost of sales	186,919	181,572
Expenses	68,320	61,816
Depreciation & amortization	8,594	6,208
Interest expense	12,711	8,549
Other expenses	424	404
Income before taxes	$ 5,882	$ 22,046
Income taxes	4,956	6,818
Minority interest	4,792	5,433
Net Income (Loss)	$ (3,866)	$ 9,795

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 15,382	$ 11,156
Marketable securities	2,512	6,913
Receivables	35,441	42,118
*Inventories	58,358	58,589
Prepaid expenses	9,216	9,050
Current Assets	$ 120,909	$ 127,826
# Fixed assets	77,245	75,121
Other assets	3,987	4,148
Intangibles	30,424	31,331
Total Assets	$ 232,565	$ 238,426

Liabilities
(000's)

	1980	1979
Notes payable	$ 1,421	$ 10,183
Long-term debt, curr.	4,323	5,627
Accts. payable	4,477	11,723
Income taxes	3,459	3,096
Other taxes & expenses	16,083	24,912
Curr. Liabilities	$ 37,000	$ 55,541
Long-term debt	90,056	69,742
Minority interest	9,597	8,575
Deferred taxes & other liabilities	3,231	6,537
+ Common stock	10,501	10,491
Add. paid-in capital	16,034	16,025
Retained earnings	70,175	75,544
Treasury stock	(4,029)	(4,029)
Total Liabilities & Shareholders' Equity	$ 232,565	$ 238,426

# Less accumulated depreciation and amortization.
* At LIFO (55%); remainder at FIFO or average cost methods.
+ $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.13	8.02
%Net Income to Sales	—	3.56
%Net Income to Equity	—	9.99
Sales to Inventories	4.72	4.69
Working Capital	$ 83,909,000	$ 73,285,000
Current Ratio	3.27	2.34
Shareholders' Equity	$ 92,681,000	$ 98,031,000

Nortek, Inc.

815 Reservoir Avenue
Cranston, Rhode Island 02910
(401) 943-1500

Officers: Ralph R. Papitto, chairman of the board & chief exec. officer; Richard L. Bready, president, chief financial & chief operating officer; Edward J. O'Neil, v.p.; Edward M. Cimilluca, sr. v.p.-corp. planning & development; Leo Goldberg, Edward W. Ricci, vice presidents; Donald E. Johnson, vice president-Wire and Cable Group; Almon C. Hall, v.p., controller & chief accounting officer; Virginia P. Johnson, secretary; Richard J. Harris, treasurer.

Directors: Ralph R. Papitto, Richard L. Bready, Philip B. Brooks, John A. Dodenhoff, Leo Goldberg, Edward W. Ricci, David J. Stone.

Areas of Work: The industrial products group is engaged primarily in the manufacture and sale of rotary drill pipe industrial wire and cable, building wire, insulated flexible steel conduit, and armored cable for use in electrical installations in a broad range of industries. The consumer products group includes (a) quarrying, production and sale of rough and finished granite products for finished monuments, markers, mausoleums, and civic memorials, and (b) the design, manufacture and sale of decorative and functional products for infants, juveniles and adults, such as costumes, music boxes, mobiles, animated musical lamps, and specialty lamps. The Company's services group is engaged in the dyeing, finishing and printing of textile goods.

Divisions and Subsidiaries:

Duro Companies
Chace Street
Fall River, Massachusetts

Sanford Finishing Corp.
Sanford, North Carolina

Duro Finishing Corp.
Fall River, Massachusetts

Duro Textile Printers, Inc.
Fall River, Massachusetts

Gray Textile Corp.
Fall River, Massachusetts

Pioneer Finishing Corp.
Fall River, Massachusetts

Stretch Yarns, Inc.
Fall River, Massachusetts

American Flexible Conduit Division
Samuel Barnett Boulevard
New Bedford, Massachusetts

Whitney Blake Division
Dixwell Avenue
Hamden, Connecticut

Broan Mfg. Co., Inc.
West State Street
Hartford, Wisconsin

Glassalum
N.W. 71st Street
Miami, Florida

Nursery Originals, Inc.
Rand Street
Central Falls, Rhode Island

Rock of Ages Corporation
Barre Town, Vermont

Rock of Ages Building Granite Corporation
Concord, New Hampshire

Kurtz Monument Company
Steubenville, Ohio

Fairfax Granite, Inc.
Mountain Park, Oklahoma

Fairmont Granite, Limited
Beebe, Quebec, Canada

Vitta Corporation
Danbury Road
Wilton, Connecticut

Tooltech, Inc.
Columbia Avenue
Minneapolis, Minnesota

Acquisition(s):

Glassalum Engineering Corp.
Glassalum Installations, Inc.

Transfer Agent(s):

State Street Bank and Trust
Boston, Massachusetts 02101

Stock Exchange(s): American

Ticker Symbol: NTK

Sales and Earnings

	Net Sales	Net Income
1980	$143,777,000	$ 4,200,000
1979	117,956,000	3,750,000
1978	88,807,000	3,000,000
1977	75,964,000	(1,842,000)
1976	72,713,000	82,000

	No. of Com. Shares	Earn. per Share ‡‡
1980	2,941,000	$1.41
1979	2,982,000	1.32
1978	2,701,000	1.14
1977	2,602,000	—
1976	2,602,000	0.03

(Loss)

‡‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1980	1979
Wire and cable	$ 53,132,000	$ 48,073,000
Granite products	21,915,000	20,792,000
Textile services	37,312,000	33,025,000
Rotary drill pipe products	19,908,000	11,131,000
Other	5,145,000	4,935,000
Building products	6,365,000	—
Total	$143,777,000	$117,956,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.08	—	—
1979	0.07	—	—
1978	0.04	—	—
1977	0.04	—	—
1976	0.03	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 41,786,000	$14.21
1979	38,146,000	12.79
1978	32,314,000	11.97
1977	28,660,000	11.01
1976	30,606,000	11.76

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 143,777	$ 117,956
Cost of sales	115,578	91,555
Expenses	16,972	16,027
Interest & debt expense	5,127	4,374
Income bef. taxes	$ 6,100	$ 6,000
Income tax	1,900	2,250
Net Income	$ 4,200	$ 3,750

* Included in Costs and Expenses, Depreciation, Depletion and Amortization: $3,405,000 in 1980 and $2,874,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash & short-term invest.	$ 9,176	$ 8,675
Accts. receivable	25,660	19,000
* Inventories	28,379	28,044
Current Assets	$ 63,215	$ 55,719
#Fixed assets	36,101	32,153
Other assets	5,514	5,738
Intangibles	8,132	6,861
Total Assets	$ 112,962	$ 100,471

Liabilities
(000's)

	1980	1979
Long-term debt, curr.	$ 1,496	$ 1,379
Accts. payable	15,207	12,202
Accruals	6,798	5,492
Curr. Liabilities	$ 23,501	$ 19,073
Long-term debt	10,706	6,946
Subord. deben.	31,096	31,150
Other liabilities	5,873	5,156
+ Common stock	3,454	3,453
Add. paid-in capital	24,961	24,958
Retained earnings	17,445	13,483
Treasury stock	(4,074)	(3,748)
Total Liabilities & Shareholders' Equity	$ 112,962	$ 100,471

* At lower of cost (FIFO & LIFO) or market.
# Less accumulated depreciation and depletion.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.24	5.09
%Net Income to Sales	2.92	3.18
%Net Income to Equity	10.05	9.83
Sales to Inventories	5.07	4.21
Working Capital	$ 39,714,000	$ 36,646,000
Current Ratio	2.69	2.92
Shareholders' Equity	$ 41,786,000	$ 38,146,000

North American Philips Corporation

100 East 42nd Street
New York, New York 10017
(212) 697-3600

Officers: Pieter C. Vink, chairman of the board & chief exec. officer; Frank L. Randall, Jr., vice chairman; Cees Bruynes, president & chief operating officer; Frank Hopkins, exec. v.p.; Robert G. Dettmer, Robert T. Cavanagh, sr. v.p.'s; Richard A. Daunoras, sr. v.p. & controller; Robert T. Dunn, sr. v.p.; Wallace E.J. Collins, vice president, secretary & general counsel; Frederik Engel, Edward L. Klein, Charles E. Ferguson, Norman A. Neumann, John C. Messerschmitt, Daniel F. Minahan, James M. Whelan, Joseph P. Horn, St. Clair M. Marshall, Albert A. Ruttner, Donald L. Hamilton, vice presidents; Stanley I. Cundey, Jr., treasurer; J. Douglas Keill, assistant treasurer; Joseph C. Miranda, asst. secretary; Bruce D. Bengston, asst. controller.

Directors: Edward J. Boling, Fletcher L. Byrom, Frank Chapman, Robert G. Dettmer, Lewis A. Lapham, Frederick S. Leinbach, Robert L. Newell, Blake T. Newton, Jr., Pieter C. Vink, Hamilton B. Mitchell, Madeleine M. Gardner, Robert A. Powers.

Areas of Work: The Company is engaged in four basic areas: consumer products and services; electrical/electronic components; professional equipment; chemical/pharmaceutical products.

Divisions and Subsidiaries:

Advance Transformers Company
2950 North Western Avenue
Chicago, Illinois 60618

Ballasts for fluorescent and high intensity discharge lamps; dimming and control systems; power units for microwave cooking.

Alliance Manufacturing Company, Inc.
22790 Lake Park Boulevard
Alliance, Ohio 44601

Remote control garage door openers; TV antenna rotators; subfractional and fractional horsepower motors for business machines, phonographs and home appliances;consumer protective devices.

Amperex Electronic Corporation
Slatersville, Rhode Island

Electron tubes, electro-optical devices; semiconductors; integrated circuits; electronic components.

Chicago Magnet Wire Corp.
901 Chase Avenue
Elk Grove Village, Illinois 60007

Insulated copper and aluminum magnet wire and plastic insulated wire and cable for use in electronic industries.

Consumer Products Division
Stamford, Connecticut

Norelco ® electric shavers; hearing aids; personal care and home appliances; electrical housewares; tape recorders and blank cassettes; AKD ® microphones and headphones, Norelco Service, Inc. for service, parts and accessories.

Dialight
100 East 42nd Street
New York, New York 10017

Indicator lights; switches, numeric readouts; LED devices.

Electrical Industries
691 Central Avenue
Murray Hill, New Jersey 07974

Hermetic glass-to-metal seals for component manufacturers; glass preforms; wirepreforms; metal stampings; coined component parts; screw machine products.

Mepco/Electra, Inc.
Columbia Road
Morristown, New Jersey 07960

Metal film, carbon film, wire and power resistors, hermetically-sealed glass resistors; miniature ceramic capacitors; resistor networks; aluminum electrolyic capacitors; film capacitors; variable capacitors; non-linear resistors, carbon film potentiometers; cermet potention-meters; cermet fuses; connectors.

Kulka Electric Corp.
633 South Fulton Avenue
Mount Vernon, New York 10550

Terminal boards and wire devices; toggle switches; fixture-sockets and lampholders; flashers and general purpose electrical devices.

Magnavox Consumer Electronics Company
Knoxville, Tennessee

Manufactures home entertainment products including complete television-stereo consoles, radio-phonograph components and components systems, portable table and clock radios, tape recorders, cassette changers and accessories.

North American Philips Corporation

Magnavox Government and Industrial Electronics Company
1700 Magnavox Way
Fort Wayne, Indiana 46804

Engaged in the areas of defense communications, minicomputers and computer terminals, airborne submarine surveillance systems and position-location and navigation systems.

North American Philips Controls Corp.
Cheshire Industrial Park
Cheshire, Connecticut 06410

Electro-mechanical and electronic timing and control systems; timing, control and stepper motors; aircraft timing systems; microminiature and subminiature electro-mechanical and electronic relays.

North American Philips Lighting Corporation
Bank Street
Hightstown, New Jersey 08520

Mercury vapor lamps, sodium lighting products, reflector-type lamps; projection lamps for movies and slides; spotlights and floodlights; flashbulbs; miniature and sub-miniature lamps; sun lamps; heat lamps; household bulbs; fluorescent lamps; special discharge lamps; lighting fixtures.

Ohmite Manufacturing Company
3601 Howard Street
Skokie, Illinois 60076

Wirewond power resistors and rheostats; power tap switches, variable transformers; relays; solid state power controls and other components.

Philips Business Systems, Inc.
Woodbury, New York 11797

Dictation systems including desk, portable and pocket models; intercom equipment; pocket paging systems; office computers and peripherals.

Philips Electronic Instruments, Inc.
Mahwah, New Jersey 11797

Analytical instrumentation and systems; transmission electron microscopes; X-ray diffraction and spectrographic equipment; X-ray radiographic equipment; IRS, UV, VIS and AA spectrophotometers; liquid chromatographs; air and water pollution monitors; X-ray baggage inspection equipment; canning electron microscopy.

Philips Elmet Corporation
Lisbon Road
Lewiston, Maine 04240

Refractory metals; tungsten and molybdenum powder; wire, rod and sheet fabricated parts; welding electrodes; magnet wire and diamond dies.

Centralab, Inc.
Milwaukee, Wisconsin

Communications Systems Division
Piscataway, New Jersey

Philips Laboratories
345 Scarborough Road
Briarcliff Manor, New York 10510

Reseach and development in electro-optics with related programs in solid state electronics and instrumentation.

Thompson-Hayward Chemical Company
Kansas City, Kansas

American Color & Chemical Corporation
Charlotte, North Carolina

Anchor Brush Company, Inc.
Montgomery, Illinois

Baker, Knapp & Tubbs, Inc.
Chicago, Illinois

Carolina Coach Company
Raleigh, North Carolina

Philips ECG. Inc.
Seneca Falls, New York

Philips Roxane, Inc.
St. Joseph, Missouri

N.A.P. Commercial Electronics Corp.
Waltham, Massachusetts

The Selmer Company
Elkhart, Indiana

Philips Medical Systems, Inc.
710 Bridgeport Avenue
Shelton, Connecticut 06484

Diagnostic and therapeutic X-ray systems for medical, dental, podiatry and veterinary applications; medical electronic systems; hospital planning and equipmentand supplies consulting.

Herman H. Smith, Inc.
812 Snediker Avenue
Brooklyn, New York 11207

Electronic components for electrical and electronic manufacturers; switches, plugs, mounting accessories; electronic educational kits.

Transfer Agent(s):

Irving Trust Company
New York, New York

Stock Exchange(s): New York

Ticker Symbol: NPH

Number of Employees:

1980	43,448	1977	34,645
1979	37,443	1976	32,801
1978	36,903		

Sales and Earnings

	Net Sales (000's)	Net Income ‡ (000's)
1980	$ 2,658,431	$ 74,488
1979	2,409,003	81,731
1978	2,184,011	68,034
1977	1,916,761	63,680
1976	1,723,627	60,190

	No. of Com. Shares #	Earn. per Share ‡#
1980	13,162,218	$5.70
1979	13,012,166	6.28
1978	12,940,762	5.26
1977	12,897,121	4.94
1976	12,790,820	4.71

‡ Including extraordinary gains of $2,439,000 ($0.19 per share) in 1977 and $2,792,000 ($0.22 per share) in 1976.
# Based on weighted average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Consumer electronics	$ 407,967	$ 405,360
Elec. consumer prods.	387,923	381,343
Other consumer prods. & services	290,171	280,937
Electrical & electronic components	681,084	546,911
Professional equipments	546,037	465,540
Chemical & pharmaceutical prods.	345,249	328,912
Total	$ 2,658,431	$ 2,409,003

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.70	—	—
1979	1.65	—	—
1978	1.50	—	—
1977	1.50	—	—
1976	1.20	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1980	$ 630,672	$47.92
1979	571,393	44.04
1978	510,075	39.46
1977	459,345	35.81
1976	412,355	32.44

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 2,658,431	$ 2,409,003
Cost of sales	1,998,478	1,790,540
Expenses	487,241	444,291
Other income	(4,457)	(4,186)
Interest expense	43,126	27,250
Gain on sale of discont. oper.	7,339	(5,207)
Income before taxes	$ 126,704	$ 156,315
Income taxes	52,944	70,933
Minority interest	(728)	3,651
Net Income	$ 74,488	$ 81,731

*Including in Costs and Expenses, Depreciation and Amortization: $45,152,000 in 1980 and $38,814,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 29,638	$ 23,179
Accts. & notes receiv., net	541,932	454,637
Deferred tax benefits	12,318	10,926
* Inventories	524,744	481,278
Prepaid expenses	12,213	9,728
Due from parent	10,034	3,990
Current Assets	$ 1,130,879	$ 983,738
Notes & accts. receiv.	4,493	6,426
Investments & advances	8,947	6,226
# Fixed assets	341,219	281,048
Net assets	14,837	—
Other assets	17,530	12,780
Total Assets	$ 1,517,905	$ 1,290,218

Liabilities
(000's)

	1980	1979
Notes payable	$ 95,326	$ 22,000
Long-term debt, curr.	4,778	4,581
Accts. payable	129,373	118,899
Accruals & other liabilities	180,389	161,708
Dividends payable	5,585	5,514
Income taxes	6,684	21,065
Due to affiliates	23,068	32,588
Due to parent	—	3,493
Curr. Liabilities	$ 445,203	$ 369,848
Long-term debt	256,271	171,975
Curr. Liabilities	445,203	369,848
Long-term debt	256,271	171,975
Minority interest	150,836	150,437
Deferred income taxes	32,283	24,063
Other liabilities	2,640	2,502
+ Common stock	71,150	70,214
Add. paid-in capital	126,385	120,358
Retained earnings	452,951	400,635
Treasury stock	(19,814)	(19,814)
Total Liabilities & Shareholders' Equity	$ 1,517,905	$ 1,290,218

* At lower of cost or market.
# Less accumulated depreciation.
+ $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.77	6.49
%Net Income to Sales	2.80	3.39
%Net Income to Equity	11.81	14.30
Sales to Inventories	5.07	5.01
Working Capital	$ 685,676,000	$ 613,890,000
Current Ratio	2.54	2.66
Shareholders' Equity	$ 630,672,000	$ 571,393,000

North Atlantic Industries, Inc.

60 Plant Avenue
Hauppauge, New York 11787
(516) 582-6500

Officers: Malcolm D. Widenor, president; Walter Lipkin, vice president and treasurer-secretary; Joel Kramer, v.p.; Arthur Freilich, v.p.-engineering; Jay S. Truesdell, v.p.-industrial relations; William C. Kugler, controller; Ken Salz, director of sales & marketing instruments.

Directors: Walter Lipkin, Malcolm D. Widenor, John D. May.

Areas of Work: Design and manufacture of electronic instrumentation for the measurement of complex A.C. signals; applications involve computer processing, control systems and data readout systems.

Divisions and Subsidiaries:

Qantex Division
Engaged in the production of peripheral computer equipment. Products include magnetic tape storage systems, magnetic tape drives and accessory interface products.

Instrument Division
Instrument products include specialized analog/digital signal processing equipment used for test, control and maintenance in the aerospace, military and commercial avionic markets.

North Atlantic/ACS Division
Markets digital products and systems, for the microcomputer market. The productline consists of DEC compatible (Q-Bus) Microchassis, Power Supplies, Microcomputers and other support cards which are sold to industry, research laboratories and universities.

Transfer Agent(s):

The American Transfer Co.
44 Beaver Street
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NATL (NASDAQ)

Number of Employees:

1980	341	1978	378
1979	403		

Plant Footage:

1980	66,000 sq. ft.	1978	66,000
1979	66,000		

Sales and Earnings

	Net Sales	Net Income #
1980	$ 13,829,000	$ (179,000)
1979	14,035,000	735,000
1978	12,034,000	601,000
1977	8,576,000	362,000
1976	5,623,000	7,435

	No. of Com. Shares	Earn. per Share + #
1980	1,165,890	$ —
1979	1,151,540	0.70
1978	895,440	0.64
1977	892,190	0.40
1976	892,190	0.08

(Loss)
+ Based on the average number of common shares outstanding.
# Including extraordinary gain of $31,000 ($0.03 per share) in 1976.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 3,380,000	$2.90
1979	3,535,000	3.07
1978	1,769,000	1.98
1977	1,164,000	1.30
1976	802,058	0.90

Income Account *

Year ended	12/27/80	12/29/79
Net sales	$ 13,829,000	$ 14,035,000
Cost of sales	9,646,000	8,713,000
Expenses	4,274,000	3,676,000
Interest expenses	435,000	371,000
Income(loss) before taxes	$ (526,000)	$ 1,275,000
Income taxes (credit)	(347,000)	540,000
Net Income (Loss)	$ (179,000)	$ 735,000

* Included in Costs and Expenses, Depreciation and Amortization: $255,000 in 1980 and $176,000 in 1979.

Assets

As of	12/27/80	12/29/79
Cash	$ 140,000	$ 229,000
Accts. receiv., net	2,370,000	2,039,000
* Inventories	3,863,000	3,771,000
Inc. taxes receiv.	400,000	—
Other assets	121,000	67,000
Current Assets	$ 6,894,000	$ 6,106,000
# Fixed assets	2,126,000	2,041,000
‡ Leased assets	651,000	574,000
Other assets & deposits	32,000	44,000
Intangibles	176,000	223,000
Total Assets	$ 9,879,000	$ 8,988,000

Liabilities

Long-term debt, curr.	$ 107,000	$ 203,000
Loan payable	—	778,000
Accts. payable	1,880,000	1,290,000
Accrued payroll & commissions	160,000	157,000
Obligations under cap. leases	158,000	132,000
Other liabilities	388,000	484,000
Inc. taxes payable	—	136,000
Curr. Liabilities	$ 2,693,000	$ 3,180,000
Long-term debt	3,211,000	1,685,000
Obligations under cap. leases	434,000	407,000
Def. income taxes	161,000	181,000
+ Common stock	117,000	115,000
Add. paid-in capital	1,328,000	1,306,000
Retained earnings	1,935,000	2,114,000
Total Liabilities & Shareholders' Equity	$ 9,879,000	$ 8,988,000

* At lower of cost or market. Cost is determined by LIFO in 1980 and FIFO in 1979.
# Less accumulated depreciation and amortization.
‡ Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	9.08
%Net Income to Sales	—	5.24
%Net Income to Equity	—	20.79
Sales to Inventories	3.58	3.72
Working Capital	$ 4,201,000	$ 2,926,000
Current Ratio	2.56	1.92
Shareholders' Equity	$ 3,380,000	$ 3,535,000

North Hills Electronics, Inc.

Alexander Place
Glen Cove, New York 11542
(516) 671-5700

Officers: Leo Staschover, president & treasurer; Michael T. Pappas, vice president; Jack E. Israeloff, secretary.

Directors: Leo Staschover, Jack E. Israeloff, Michael T. Pappas.

Areas of Work: Product lines and services include ultra-stable DC current/voltage sources; computer-controlled DC instrumentation; voltage-to-frequency and frequency-to-voltageconverters; electronic integrators; wideband transformers, hybrids, power adders and dividers; fixed and adjustable inductors; directional couplers; linear logarithmic amplifiers, and integrated microwave assemblies.

Transfer Agent(s):

Manufacturers Hanover Trust Company
4 New York Plaza
New York, New York 10015

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income
1981	$ 2,152,703	$ 198,304
1980	1,522,662	134,338
1979	844,712	73,314
1978	887,145	75,191
1977	734,713	56,901

	No. of Com. Shares	Earn. per Share #
1981	329,228	$0.60
1980	329,228	0.41
1979	329,228	0.22
1978	329,228	0.23
1977	329,228	0.17

# Based on weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 927,163	$2.82
1980	728,859	2.21
1979	594,521	1.81
1978	521,207	1.58
1977	459,883	1.40

Income Account *

Year ended Jan. 31	1981	1980
Net sales	$ 2,152,703	$ 1,522,662
Cost of sales	1,432,413	1,082,360
Expenses	429,559	271,755
Other income	(23,328)	(36,034)
Income before taxes	$ 314,059	$ 204,581
Income taxes	115,755	70,243
Net Income	$ 198,304	$ 134,338

* Included in Costs and Expenses, Depreciation: $75,604 in 1981 and $57,812 in 1980.

Assets

As of Jan. 31	1981	1980
Cash	$ 175,317	$ 73,528
Marketable securities	159,028	196,339
Accts. receiv., net	335,658	316,679
* Inventories	363,797	293,918
Prepaid expenses	12,861	27,630
Current Assets	$ 1,046,661	$ 908,094
# Fixed assets	763,909	535,544
New construction payments	29,095	30,350
Total Assets	$ 1,839,665	$ 1,473,988

Liabilities

Long-term debt, curr.	$ 25,576	$ 10,000
Accts. payable	315,319	162,842
Income taxes payable	40,143	32,287
Curr. Liabilities	$ 381,038	$ 205,129
Long-term debt	531,464	540,000
+ Common stock	3,292	3,292
Add. paid-in capital	245,120	245,120
Retained earnings	678,751	480,447

Total Liabilities & Shareholders' Equity	$	1,839,665	$	1,473,988

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales		14.59		13.44
%Net Income to Sales		9.21		8.82
%Net Income to Equity		21.39		18.43
Sales to Inventories		5.92		5.18
Working Capital	$	665,623	$	702,965
Current Ratio		2.75		4.43
Shareholders' Equity	$	927,163	$	728,859

Northern Telecom Limited

33 City Centre Drive
Mississauga, Ontario L5B 2N5
Canada
(514) 931-5711

Officers: Walter F. Light, president & chief executive officer; A. Jean de Grandpre, chairman of the board & chief executive officer; Donald A. Chisholm, exec. v.p.-technology; Michael H. Cochrane, exec. v.p.-admn.; Charles G. Millar, exec. v.p.-operations; Robert A. Ferchat, exec. v.p.-finance; Walter C. Benger, exec. v.p.-mktg.; Clive V. Allen, v.p. & general counsel; Roy T. Cottier, v.p.-corporate relations; J.D.M. Davies, v.p.-business development; Ronald A. Hunter, v.p.-operations planning; John A. Roth, v.p.-operations, manufacturing; Lloyd A. Taylor, v.p.-semiconductor components; John MacDonald, v.p.-technology management; Desmond F. Hudson, v.p.-technology planning; Edward B. Matthews, v.p.-business systems; Robert H. Lane, v.p.-marketing, administration; F. Robert Dyer, v.p.-market development; David W. Kendall, Jr., treasurer; Anthony J. Lafleur, secretary; David J. Thomas, controller.

Directors: David W. Barr, A. Jean de Grandpre*, George L. Demers, J. Douglas Gibson, Robert S. Hurlbut*, Walter F. Light*, Clifford S. Malone*, Vernon O. Marquez, John H. Moore*, Charles Perrault, Gerard Plourde*, Robert C. Scrivener, James C. Thackray*, W. Maurice Young, Donald S. Harvie, William L. Naumann, William O. Beers.

*Member of the Executive Committee.

Areas of Work: Electromechanical and electronic analog and digital switching systems; cable systems; optoelectronic systems; channel banks; repeaters; fuses; relays; dryreed relays; power equipment; printed-circuit boards and packs; step-by-step switching systems; sheet metal and piece parts; networks and sensors; residential and business telephones and components; electronic funds transfer and credit verification systems; electronic equipment and test sets; analog and digital transmission equiment; multiplex, voice frequency and radio equipment; capacitors; protectors; custom large-scale-integrated circuits; distributed data processing terminals and systems, disks and disk storage devices, cassette recorders, video displays, printers, magnetic tape drives, software development, printed circuit boards, on-line terminal systems, remote batch and multi-function terminal systems; private switching networks; test equipment, data communications diagnostic systems.

Divisions and Subsidiaries:

Northern Telecom Canada Limited
304 The East Mall
Islington, Ontario M9B 6E4
Canada

Switching Group
Toronto, Ontario

Digital Switching Systems Division
Advanced Switching Division
General Switching Division
Distribution Products Division

Subscriber Equipment Group
Toronto, Ontario

Station Apparatus Division
Subscriber Switching Division
Repair and Overhaul Division

Cable Group
Montreal, Quebec

Communications Cable Division
Power Cable Division
Outside Plant Division

Transmission Group
Ottawa, Ontario

Digital Transmission Division
Analog and Radio Transmission Division
Optical Systems Division

Northern Telecom, Inc.
Metro Center
259 Cumberland Bend
Nashville, Tennessee 37228

Manufactures and markets electronic switching systems, voice frequency and test equipment, electronic and digital PABXs, telephone sets, components and printed circuits boards and packs, digital subscriber carrier and channel.

Telco Group
Nashville, Tennessee

Digital Switching Systems Division
Creedmoor, North Carolina

Danray Division
Richardson, Texas

Business Communications Division
Santa Clara, California

Northeast Electronics Division
Concord, New Hampshire

Advanced Telephone Products Division
Nashville, Tennessee

Business Communications Group
Richardson, Texas

Cook Electric Division
Chicago, Illinois

Products Group
Nashville, Tennessee

Spectron Division
Moorestown, New Jersey

Transmission Division
Atlanta, Georgia

Northern Telecom (Asia) Limited
Singapore/Hong Kong

Northern Telecom Industries Sdn. Bhd.
Penang, Malaysia

Manufactures heat coils, cables forms, capacitors, switchboard lamps and telephone set components.

Northern Telecom A.G.
Zurich, Switzerland

Northern Telecom (Ireland) Limited
Galway, Erie

Manufactures telephone sets, PABX components and voice frequency equipment.

Northern Telecom (U.K.) Limited
Hemel Hempstead, England

NETAS-Northern Electric Telekomunikayson A.S. (51% owned)

Istanbul, Turkey

Northern Telecom (Middle East) Limited
London, England

Northern Telecom (CALA) Corporation
8375 NW 53rd Street
Miami, Florida 33166

Bell-Northern Research Ltd. (70% owned)
Ottawa, Ontario

Industrial research and development organization.

BNR Inc.
3174 Porter Drive
Palo Alto, California

Industrial research and development.

Northern Telecom International Limited
Mississauga, Ontario, Canada

Directs worldwide manufacturing and marketing.

Northern Telecom A.G.
Glarnischstrasse 30
8002 Zurich, Switzerland

Northern Telecom (Asia) Limited
Malayan Credit House
96 Somerset Road, Singapore 9

B-N Software Research Inc.
522 University Avenue
Toronto, Ontario M5G 1W7
Canada

Northern Telecom Systems Corporation
6110 Blue Circle Drive
Minneapolis, Minnesota 55435

Transfer Agent(s):

Northern Telecom Limited
1050 Beaver Hall Hill
Montreal, Quebec, Canada

Northern Telecom Limited
393 University Avenue
Toronto, Ontario, Canada

Montreal Trust Company
Halifax, Winnipeg, Regina, Calgary & Vancouver, Canada

Manufacturers Hanover Trust Company
New York, New York

Continental Illinois National Bank and Trust Company of Chicago
Chicago, Illinois

Stock Exchange(s): Montreal, New York, Toronto, Vancouver

Ticker Symbol: NT (New York); NTL (Montreal, Toronto, Vancouver)

Number of Employees:

1980	31,915	1977	24,962
1979	33,301	1976	25,277
1978	31,756	1975	23,690

Sales and Earnings

	Net Sales (000's)	Net Income ‡ (000's)
1980	$ 2,054,561	$ (185,155)
1979	1,900,522	113,472
1978	1,504,560	100,728
1977	1,221,922	85,255
1976	1,083,500	77,099

	No. of Com. Shares +	Earn. per Share + ‡
1980	33,795,140	$ —
1979	30,655,915	3.70
1978	28,343,538	3.55
1977	26,469,000	3.22
1976	26,469,000	2.91

(Loss)
+ Based on average number of shares outstanding.
‡ Including extraordinary loss of $163,759,000 in 1980 and extraordinary gains of $6,344,000($0.22 per share) in 1978, $3,422,000 ($0.13 per share) in 1977, $3,163,000 ($0.12 per share) in 1976.

Revenues By Line of Business
(000's)

	1980	1979
Telecommunications equip.	$ 1,751,200	$ 1,504,691
Electronic office systems	259,000	349,823
Other (principally research & development)	44,400	46,008
Total	$ 2,054,600	$ 1,900,522

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.00	—	—
1979	0.85	—	—
1978	0.74	—	—
1977	0.66	—	—
1976	0.61	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$728,314,000	$21.55
1979	917,615,000	29.93
1978	632,566,000	22.32
1977	468,601,000	17.70
1976	400,816,000	15.14

‡ Based on average number of shares outstanding.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 2,054,561	$ 1,900,522
Cost of sales	1,550,430	1,304,096
Expenses	482,390	412,591
Other income	(10,484)	(3,762)
Interest expense	44,916	38,215
Unrealized currency gains	1,211	426
Income (loss) before taxes	$ (13,902)	$ 148,956
Income taxes	7,494	35,484
Net Income (loss)	$ (21,396)	$ 113,472
Extraord. loss	163,759	—
Net Income (loss) & extraord. loss	$ (185,155)	$ 113,472

* Included in Costs and Expenses, Depreciation and Amortization: $117,632,000 in 1980 and $92,370,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 13,364	$ 6,750
Accts. receiv., net	418,577	424,434
* Inventories	548,735	492,539
Prepaid expenses	11,293	16,301
Tax benefit	32,607	—
Deferred income taxes	25,196	37,858
Current Assets	$ 1,049,772	$ 977,882
Long-term receiv.	33,143	41,296
Investments	371,762	301,818
# Fixed assets	497,928	420,985
Other assets	33,001	142,538
Total Assets	$ 1,985,606	$ 1,884,519

Liabilities
(000's)

	1980	1979
Notes payable	$ 132,401	$ 100,619
Long-term debt, curr.	7,709	7,780
Accts. payable	433,229	266,920
Income Taxes	4,593	22,193
Due to non-consol. subsid.	19,101	23,445
Current Liabilities	$ 597,033	$ 420,957
Long-term debt	321,712	192,061
Non-consolid. subsid.	236,793	245,378
Minority interest	12,063	11,591
Deferred income	3,212	5,975
Deferred inc. taxes	86,479	90,942
+ Common stock	473,606	443,961
Retained earnings	254,708	473,654
Total Liabilities & Shareholders' Equity	$ 1,985,606	$ 1,884,519

* At lower of cost (FIFO) and net realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	—	7.84
%Net Income to Sales	—	5.97
%Net Income to Equity	—	12.37
Sales to Inventories	3.74	3.86
Working Capital	$452,739,000	$556,925,000
Current Ratio	1.76	2.32
Shareholders' Equity	$728,314,000	$917,615,000

Northrop Corporation

1800 Century Park East
Century City
Los Angeles, California 90067
(213) 553-6262

Officers: Thomas V. Jones, chairman of the board & chief executive officer; Richard W. Millar, vice chairman of the board; Thomas O. Paine, president & chief operating officer; John B. Campbell, v.p. & controller; Frank Caramelli, v.p. & president- Wilcox Electric, Inc.; Stanley Ebner, v.p. & mgr.-Eastern Regional Office; William M. Elliot, sr. v.p. & general counsel; David N. Ferguson v.p. & gen. mgr.-Electronics Division; Welko E. Gasich, sr. v.p.-advanced projects; C. Robert Gates, v.p.-international; Sheila M. Gibbons, secretary; Manuel G. Gonzalez, v.p. & asst. gen. mgr.-Aircraft Division; George H. Hage, v.p. & general mgr.-Electro-Mechanical Division; Donald A. Hicks, sr. v.p.-marketing & technology; James V. Holcombe, sr. v.p. & asst. to the chief executive officer for Government Relations; Roy P. Jackson, v.p. & gen. mgr.-Aircraft Division; Kent Kresa, v.p. & gen. mgr.-Ventura Division; Milton Kuska, v.p.-Aircraft Division Marketing, Logistic Support, and F-5E/F Programs; Richard B. Lohrer, treasurer; Frank W. Lynch, sr. v.p. & group executive, F.J. Manzella, v.p. & gen. mgr.-Aircraft Services Division; Thomas A. McDougall, v.p.-international business operations; William G. McGagh, sr. v.p.-finance; Donald A. McInnis, v.p. & president-Northrop Services, Inc.; John J. Richardson, v.p.-industrial relations; James M. Ricketts, v.p. & president-Page Communications Engineers, Inc.; Wallace C. Solberg, v.p. & gen. mgr.-Defense Systems Division; James E. Ware, v.p. & president-Northrop Architectural Systems; Donald D. Warner, v.p.-materiel, facilities, & services; Joseph Yamron, v.p. & gen. mgr.-Precision Products, Division.

Directors: Thomas V. Jones, chairman; William F. Ballhaus*, Thomas C. Barger*, Richard J. Flamson III, Ivan A. Getting, Thomas O. Paine, Earle M. Jorgensen, T.M. McDaniel, Jr.*, Richard W. Millar*, O. Meredith Wilson*, Richard E. Horner, Charles W. Robinson.

*Member of the Executive Committee.

Divisions:

Aircraft Division
3901 West Broadway
Hawthorne, California 90250
Aircraft research, development and manufacturing.

Aircraft Services Division
3901 West Broadway
Hawthorne, California 90250
Aircraft services, support, and training.

Defense Systems Division
600 Hicks Road
Rolling Meadows, Illinois 60008
Military defense electronic systems.

Precision Products Division
100 Morse Street
Norwood, Massachusetts 02062
Gyroscopes, accelerometers, and inertial guidance and control subsystems.

Electronics Division
2301 West 120th Street
Hawthorne, California 90250
Electronics research, development, and manufacturing.

Ventura Division
1515 Rancho Conejo Boulevard
Newbury Park, California 91320
Remotely-piloted vehicles, marine systems and aircraft subassemblies.

Electro-Mechanical Division
500 East Orangethrope Avenue
Anaheim, California 92801
Electronic, electro-optical system, tactical missile systems, fabricated products.

Northrop Research and Technology Center
One Research Park
Palos Verdes Peninsula, California 90274
Advanced technology research programs.

Subsidiaries:

Northrop Architectural Systems
999 South Hatcher Avenue
City of Industry, California 91748
Architectural metal products for residential and commercial buildings.

Page Communications Engineers, Inc.
Northrop Page Technology Park
801 Follin Lane
Vienna, Virginia 22180
Civil and military communications systems.

Northrop Services, Inc.
500 East Orangethrope Avenue
Anaheim, California 92801
Managerial and technical support services

Northrop Worldwide Aircraft Services, Inc.
21 Northwest 44th Street
Lawton, Oklahoma 73505
Aircraft maintenance and base support services.

Wilcox Electric, Inc.
1400 Chestnut Avenue
Kansas City, Missouri 64127
Ground-base navigation and instrument landing systems.
Construcciones Aeronauticas, S.A. (13.2% owned)
Calle del Rey Francisco, 4, Apartado 193
Madrid, 8, Spain
Military and commercial aircraft manufacturing and repair.

Page Iberica, S.A. (35% owned)
Lagasca No. 88, 7°
Madrid 1, Spain
Communications systems.

Electronica Basica, S.A. (35.8% owned)
Roberto Bassas 32-34
Barcelona 14, Spain
Electronic systems and products.

Shinko-Northrop Company, Ltd. (5% owned by Northrop Architectural Systems)
No. 1-22-chome, Kyobashi
Chuo-Ku, Tokyo, 104, Japan
Architectural metal products for residential and commercial buildings.

N V. Koninklijke Nederlandse Vliegtuigenfabriek Fokker (20% owned)
P.O. Box 7600
Schiphol-Oost
Amsterdam, The Netherlands
Military and commercial aircraft development and manufacturing.

Transfer Agent(s):

United California Bank
Los Angeles, California

Northrop Corporation

Stock Exchange(s): New York, Pacific

Ticker Symbol: NOC

Number of Employees:

1980	30,200	1977	26,200
1979	28,800	1976	24,000
1978	31,200		

Plant Footage:

1980	11,605,000 sq.ft.	1977	9,356,000
1979	11,467,000	1976	9,370,000
1978	10,670,000		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 1,655,400	$ 86,100
1979	1,582,477	90,312
1978	1,829,839	88,417
1977	1,601,374	66,160
1976	1,265,009	35,897

	No. of Com. Shares +	Earn. per Share #
1980	14,300,000	$6.04
1979	14,219,000	6.35
1978	14,166,000	6.24
1977	13,776,000	4.80
1976	12,554,000	2.85

# Based on the weighted average number of shares outstanding adjusted to reflect stock split.
+ Based on the average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1980	1979
Aircraft	$ 740,700	$ 719,268
Electronics/ Communications	390,900	319,709
Construction	89,800	117,584
Services	474,700	475,352

Common Stock

	Cash Dividends +	Stock Dividend	Stock Split
1980	$1.80	—	—
1979	1.80	—	—
1978	1.50	—	—
1977	1.15	—	2-for-1 #
1976	0.58	—	—

+ Adjusted to reflect stock split.
# In the form of a 100% dividend.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 482,400,000	$33.80
1979	420,415,000	29.58
1978	355,975,000	25.05
1977	285,247,000	20.33
1976	225,770,000	16.93

+ Based on average number of common shares outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 1,655,400	$ 1,582,477
Cost of sales	1,548,300	1,449,568
Other income	(35,500)	(27,786)
Interest expense	2,900	2,885
Income before taxes	$ 139,700	$ 157,810
Income taxes	53,600	67,498
Net Income	$ 86,100	$ 90,312

* Included in Costs and Expenses, Depreciation and Amortization: $30,400,000 in 1980 and $26,557,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash & cash items	$ 311,200	$ 149,424
Accts. receiv., net	131,000	175,942
* Inventories	390,400	348,715
Prepaid expenses	9,000	10,959
Current Assets	$ 841,600	$ 685,040
Investments	9,000	8,604
# Fixed assets	343,500	257,534
Other assets	39,600	39,199
Total Assets	$ 1,233,700	$ 990,377

Liabilities
(000's)

	1980	1979
Accts. payable	$ 76,700	$ 52,639
Adv. on contracts	127,100	42,007
Accrued compensation	93,300	81,228
Income taxes	297,900	237,860
Other liabilities	65,200	65,887
Curr. Liabilities	$ 660,200	$ 479,621
Long-term obligations	63,000	65,700
Deferred inc. taxes & credit	28,100	24,685
+ Commmon stock	84,400	82,844
Retained earnings	398,000	337,571
Total Liabilities & Shareholders' Equity	$ 1,233,700	$ 990,377

* At lower of average cost or market.
# Less accumulated depreciation & amortization.
+ No par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	8.44	9.97
%Net Income to Sales	5.20	5.71
%Net Income to Equity	17.85	21.48
Working Capital	$ 181,400,000	$ 205,419,000
Current Ratio	1.27	1.43
Shareholders' Equity	$ 482,400,000	$ 420,415,000

Northwest Industries, Inc.

6300 Sears Tower
Chicago, Illinois 60606
(312) 876-7000

Officers: Ben W. Heineman, president; Richard P. Strubel, Paul J. Weir, executive v.p.'s; Edward W. Freher, v.p.-personnel; Arthur H. Baer, Jr., v.p.-corp. development; Rod F. Dammeyer, v.p.-finance; Raymond J. Epich, v.p.-management info. services; G. Roger McGrath, asst. v.p.-finance; R.J. Hill, secretary; Ellis A. Brock, asst. secretary; Bernard Firestone, v.p. & treasurer; Jerome B. Scherer, Daniel P. Casey, asst. treasurers; Gerald L. Nordstrom, v.p.-taxes & tax counsel; Thomas A. Cole, corp. counsel; Brendan M. O'Neill, Henry L. Dykema, asst. controllers.

Directors: Thomas G. Ayers, James F. Bere, Gaylord Freeman, William B. Graham, John D. Gray, Ben W. Heineman, Thomas S. Hyland, Everett J. Moore, James E. Devitt, George A. Wilson.

Areas of Work: Engaged in the production and marketing of men's and boys' underwear; men's knit shirts; shirts and jeans; boots; trademark licensing (Fruit of the Loom and B.V.D.) connecting devices (specialty fasteners, electrical and electronic connectors, and fluid seals and couplings) and ingot moulds; pesticides, industrial chemicals and resins; fluorescent and high intensity discharge lamp ballasts; tubular steel for the oil and gas industry; automotive replacement batteries and industrial batteries and chargers; importation of wines and Scotch whisky; holds exclusive franchises for Coca-Cola, Canada Dry and other well-known soft drinks; industrial water treatment, manufactures leather boots.

Divisions and Subsidiaries:

Consumer Products Group

Union Underwear Company, Inc.
Bowling Green, Kentucky
New York, New York

Fruit of the Loom, Inc.
New York, New York

Acme Boot Company, Inc.
Clarksville, Tennessee

The Buckingham Corporation
Englewood Cliffs, New Jersey
New York, New York

General Battery Corporation
Reading, Pennsylvania

Coca-Cola Bottling Company of Los Angeles
Los Angeles, California

Chemical Products Group

Velsicol Chemical Corporation
Chicago, Illinois

Industrial Products Group

Universal Manufacturing Corporation
Paramus, New Jersey

Lone Star Steel Company
Dallas, Texas

Microdot Inc.
Darien, Connecticut

NWT Natural Resources Co.

Transfer Agent(s):

Manufacturers Hanover Trust Company
Four New York Plaza
New York, New York 10015

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Stock Exchange(s): New York, Pacific

Ticker Symbol: NWT

Number of Employees:

1980 44,000

Sales and Earnings

	Net Sales	Net Income
1980	$ 2,876,400,000	$ 155,400,000
1979	2,579,900,000	172,200,000
1978	2,359,700,000	150,500,000
1977	1,876,500,000	129,375,000
1976	1,568,900,000	117,575,000

	No. of Com. Shares +	Earn. per Share +
1980	30,100,000	$5.03
1979	30,100,000	5.60
1978	30,000,000	4.90
1977	30,900,000	4.20
1976	33,500,000	3.53

+ Based on the average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1980	1979
Industrial group	$ 1,362,100,000	$ 1,203,200,000
Chemical group	193,200,000	192,300,000
Consumer group	1,321,100,000	1,184,400,000
Total	$ 2,876,400,000	$ 2,579,900,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.28	—	—
1979	2.05	—	—
1978	1.75	—	2-for-1
1977	1.425	—	—
1976	1.125	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$959,400,000	$32.06
1979	873,600,000	29.22
1978	761,200,000	25.69

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 2,876,400	$ 2,579,900
Cost of sales	2,089,100	1,852,800
Expenses	410,600	351,700
Interest expense	88,200	70,100
Amort. of exc. cost	6,000	5,900
Other charges (income)	200	(2,500)
Income before taxes	$ 282,300	$ 301,900
Income taxes	126,900	129,700
Net Income	$ 155,400	$ 172,200

* Included in Costs and Expenses, Depreciation and Amortization: $85,600,000 in 1980 and $75,600,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 44,200	$ 32,700
Accts. & notes receiv., net	333,700	347,500
* Inventories	538,700	569,000
Prepaid expenses	19,700	12,300
Current Assets	$ 936,300	$ 961,500
Notes receiv. & investments	60,800	48,800
# Fixed Assets	884,500	799,000
Other assets	38,400	35,100
Intangibles	351,700	352,300
Total Assets	$ 2,271,700	$ 2,196,700

Liabilities
(000's)

Long-term debt, curr.	$ 27,300	$ 23,900
Accts. payable & accruals	294,100	310,400
Accrued payroll	41,800	33,600
Dividends & interest payable	32,500	24,200
Accrued taxes	49,100	17,800
Curr. Liabilities	$ 444,800	$ 409,900
Long-term debt:		
Senior	485,800	555,700
Subordinated	79,100	84,800
Deferred inc. taxes	199,600	168,300
Other liabilities	36,700	36,000
Minority interest	16,300	18,400
+ Redeemable preferred stock	50,000	50,000
+ Common stock	363,100	363,000
Retained earnings	716,800	631,600
Treasury stock	(120,500)	(121,000)
Total Liabilities & Shareholders' Equity	$ 2,271,700	$ 2,196,700

* 60% at lower of cost (FIFO or average) or market; the remainder at LIFO cost.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	9.81	11.70
%Net Income to Sales	5.40	6.67
%Net Income to Equity	16.20	19.71
Sales to Inventories	5.34	4.53
Working Capital	$491,500,000	$551,600,000
Current Ratio	2.10	2.35
Shareholders' Equity	$959,400,000	$873,600,000

Nuclear Data, Inc.

Hamilton Lakes
500 Park Boulevard
Itasca, Illinois 60143
(312) 773-0200

Officers: Richard J. Sandberg, president and chief executive officer; Norman S. Jones, Harold E. Tellefsen, senior vice presidents; Charles J. Long, Jr., v.p.-sales; Vernon L. Schatz, v.p.-corporate planning; Gerald W. Gaughran, v.p.-engineering; C. Stewart Havens, v.p.-finance, secretary and treasurer; Raymond C. Master, v.p.

Directors: Norman S. Jones, Richard J. Sandberg, Harold E. Tellesfsen, Harvey H. Orndorff, James A. Lynch, George K. Hendrick, Jr.

Areas of Work: Manufactures and markets computer systems for the identification and quantification of nuclear radiation and related phenomena. Provides consulting services and mechanical and electronic systems for the nuclear power industry. Also produces printed circuit boards, for use in business machines, instrumentation, and communications.

Subsidiaries:

Metropolitan Circuits Incorporated of California
1261 Logan Avenue
Costa Mesa, California 92626
Manufactures and markets printed circuit boards.

Applied Physical Technology, Inc.
2734 S. Cobb Industrial Blvd.
Smyrna, Georgia 30080
Nuclear instrumentation and consulting company.

Metropolitan Circuits Incorporated of Illinois
2706 Edgington Street
Franklin Park, Illinois 60131
Manufactures and markets printed circuit boards.

Metropolitan Circuits Incorporated of New Jersey
208 Center Square Road
Bridgeport, New Jersey 08014
Manufactures and markets printed circuit boards.

Nuclear Data GmbH
Frankfurt, West Germany
Sales and service subsidiary.

Nuclear Data (U.K.)
Bourne End, England
Sales and service branch office.

Nuclear Data Instruments AB
Uppsala, Sweden
Marketing subsidiary.

Acquisition(s):

Applied Physical Technology, Inc.

Transfer Agent(s):

LaSalle National Bank
135 South LaSalle Street
Chicago, Illinois 60603

Stock Exchange(s): American

Ticker Symbol: NDI

Number of Employees:

1980	700	1977	494
1979	673	1976	250
1978	582		

Plant Footage:

1980	165,000 sq.ft.	1977	46,000
1979	46,000	1976	46,000
1978	46,000		

Sales and Earnings

	Net Sales	Net Income ‡
1981	$ 41,400,000	$ 1,708,000
1980	33,736,000	2,076,000
1979	28,390,000	1,449,000
1978	24,011,000	1,159,000
1977	19,505,000	1,674,000

	No. of Com. Shares #	Earn. per Share #‡
1981	1,692,005	$1.01
1980	1,521,616	1.36
1979	1,396,477	1.04
1978	1,364,622	0.85
1977	1,227,492	1.04

‡ Including extraordinary credits of $400,000 ($0.32 per share) in 1977.
# Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1981	1980
Printed circuit boards	$ 23,117,000	$ 21,138,000
Instrumentation	18,283,000	12,598,000
Total	$ 41,400,000	$ 33,736,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Splt
1981	—	—	5-for-4

Common Stock Equity ‡

	Total Equity	Equity Per Share #
1981	$ 15,063,000	$8.90
1980	13,337,000	8.77
1979	8,441,000	6.04
1978	6,232,000	4.57
1977	4,918,000	4.01

‡ Restated to reflect change in accounting method to comply with FASB statement No. 43 concerning compensated absences.
# Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *

Year ended Feb. 28	1981	1980
Net sales	$ 41,400,000	$ 33,736,000
Other income	1,372,000	1,550,000
Total income	$ 42,772,000	$ 35,286,000
Cost of sales	28,662,000	22,615,000
Expenses	9,950,000	8,029,000
Research & develop.	765,000	691,000
Interest expense	673,000	363,000
Income before taxes	$ 2,722,000	$ 3,588,000
Income taxes	1,014,000	1,512,000
Net Income	$ 1,708,000	$ 2,076,000

*Included in Costs and Expenses, Depreciation, and Amortization: $1,092,000 in 1981 and $1,020,000 in 1980.

Assets

As of Feb. 28	1981	1980 ‡
Cash	$ 505,000	$ 440,000
Marketable securities	—	1,052,000
Accts. receiv. net	10,954,000	9,515,000
*Inventories	5,651,000	5,307,000

Cost on uncompl. contracts	1,825,000	—
Deferred inc. taxes	384,000	264,000
Prepaid expenses & sundry accts.	839,000	1,077,000
Current assets	$ 20,158,000	$ 17,655,000
# Fixed assets	9,104,000	6,091,000
Total Assets	$ 29,262,000	$ 23,746,000
Liabilities		
Note payable	$ 4,469,000	$ 562,000
Long-term debt, curr.	254,000	261,000
Accts. payable	3,029,000	2,259,000
Accruals	3,214,000	2,947,000
Income taxes	1,169,000	2,257,000
Curr. Liabilties	$ 12,135,000	$ 8,286,000
Long-term debt	1,367,000	1,642,000
Deferred emp. compensation	320,000	180,000
Deferred inc. taxes	377,000	301,000
+ Common stock	$ 869,000	$ 672,000
Add. paid-in capital	9,051,000	8,590,000
Retained earnings	5,783,000	4,075,000
Deferred compensation	(640,000)	—
Total Liabilities & Shareholders' Equity	$ 29,262,000	$ 23,746,000

‡ Restated to reflect change in accounting method to comply with FASB statement No. 43 concerning compensation absences.

* At lower of cost (LIFO) or market.

# Less accumulated depreciation and amortization.

+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.57	10.64
%Net Income to Sales	4.13	6.15
%Net Income to Equity	11.34	15.57
Sales to Inventories	7.33	6.36
Working Capital	$ 8,023,000	$ 9,369,000
Current Ratio	1.66	2.13
Shareholders' Equity	$ 15,063,000	$ 13,337,000

Nuclear Systems, Inc.

924 Joplin Street
Post Office Box 2543
Baton Rouge, Louisiana 70821
(504) 387-0846

Officers: Harry D. Richardson, chairman of the board, president & chief exec. officer; Jackson B. Richard, v.p. & secretary-treasurer & mgr.-Gamma Industries Div.; Ray W. Hibbard, v.p. & gen. mgr.-NSI Control Products Div.

Directors: Sidney A. Champagne, Roger W. Richardson, Robert L. Roland, Harry D. Richardson, Lawrence Mann, Jr.

Areas of Work: Operates principally in three industries: Radioactive Sources and Related Supplies, Cable Harness Manufacturing and Energy Saving Devices. Operations in the Radioactive Sources and Related Supplies industry primarily involve the manufacture and sale of radiography devices and the sale of limited life radioactive sources for those devices which are used in quality control of welds and castings of metals. Operations in the Energy Saving Devices industry involve the manufacture of energy conservation control instruments including a company developed microprocessor controlled electronic thermostat. Operations in the Cable Harness industry primarily involve the custom manufacture of cable harness assemblies for the use in electrical and electronic equipment.

Divisions and Subsidiaries:

Gamma Industries Division
Engaged in the manufacture of sealed radioactive sources for industrial, medical and educational applications.

Gamma Industries
Post Office Box 2543
Baton Rouge, Louisiana 70821
(504) 383-7791

Gamma Industries
9320 Tavenor Street
Houston, Texas 77034
(713) 944-7676

Cable Harness
Engaged principally in the manufacture of cable harness assemblies for use in electrical and electronic equipment.

Route No. 1
Morristown, Tennessee 37814
(615) 581-6669

Nuclear Systems Export, Inc.
P.O. Box 2543
Baton Rouge, Louisiana 70821
(504) 383-7791

Transfer Agent(s):

Republic National Bank
Dallas, Texas

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NUSY (NASDAQ)

Sales and Earnings

	Net Sales + ‡	Net Income
1980	$ 6,262,521	$ (335,436)
1979	3,448,592	(631,172)
1978	2,788,109	(87,513)
1977	2,088,412	117,867
1976	2,405,216	(157,631)

	No. of Com. Shares	Earn. per Share ×
1980	781,008	$ —
1979	781,008	—
1978	781,008	—
1977	781,008	0.15
1976	781,008	—

(Loss)

‡ Includes service revenue.

+ Of continuing operations.

× Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1980	1979
Radioactive sources & related supplies	$ 3,818,282	$ 2,847,204
Energy saving device	758,715	—
Cable harness mfr.	1,684,524	601,388
Total	$ 6,262,521	$ 3,448,592

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,250,509	$2.88
1979	2,585,945	3.31
1978	3,217,117	4.12
1977	3,304,630	4.23
1976	3,186,763	4.08

Income Account *

Year ended July 31	1980	1979
Net sales	$ 6,262,521	$ 3,448,592
Cost of sales	4,893,326	2,892,362
Expenses	1,551,248	1,151,075
Interest expense	87,092	20,314
Gain on sale	142,871	16,615
Loss from cont. oper.	$ (126,274)	$ (598,544)
Loss from discont. oper.	(209,162)	(32,628)
Net Loss	$ (335,436)	$ (631,172)

* Included in Costs and Expenses, Depreciation and Amortization: $118,802 in 1980 and $124,738 in 1979.

Assets

As of July 31	1980	1979
Cash	$ 123,237	$ 250,757
Cert. of deposit	—	152,268
Accts. receiv., net	1,283,333	1,064,967
* Inventories	1,944,142	918,408
Prepaid expenses	65,351	85,384
Current Assets	$ 3,416,063	$ 2,471,784
# Fixed assets	629,173	1,720,598
Other assets	—	4,046
Intangibles	—	143,050
Total Assets	$ 4,045,236	$ 4,339,478
Liabilities		
Notes payable	$ 147,961	$ —
Loans payable	63,084	622,411
Long-term debt, curr.	2,474	81,285
Accts. payable	902,640	334,653
Accruals	153,659	238,880
Deferred revenues on contracts	—	9,250
Curr. Liabilities	$ 1,769,818	$ 1,286,479
Long-term debt	24,909	467,054
+ Common stock	78,101	78,101
Add. paid-in capital	2,980,046	2,980,046
Retained earnings (deficit)	(807,638)	(472,202)
Total Liabilities & Shareholders' Equity	$ 4,045,236	$ 4,339,478

* At lower of cost (FIFO) or market.

# Less accumulated depreciation and amortization.

+ $0.10 par value.

Statistical Summary

Working Capital	$ 1,646,245	$ 1,185,305
Current Ratio	1.93	1.92
Shareholders' Equity	$ 2,250,509	$ 2,585,945

Oak Industries Inc.

16935 West Bernardo Drive
Rancho Bernardo, California 92127
(714) 485-9300

Officers: Everitt A. Carter, chairman of the board & chief exec. officer; John P. Gwin, exec. v.p.; Frank A. Astrologes, exec. v.p. & chief financial officer; Raymond W. Peirce, president & chief operating officer; Carl J. Bradshaw, sr. v.p. & chief legal officer; Leo Jedynak, sr. v.p.-research & devel.; v.p.'s: A. Keith Cook-admin., Eugene N. Myer-staff operations, Robert V. Dumke-corp. devel., Michael G. Forys-human resources, Robert H. Hartney-corp. relations; Michael R. Maury, v.p. & controller; Thomas C. Runge, v.p. & treasurer; John E. Ryan, v.p. & asst. sec.; E. Jeanne Hamm, secretary; John Yonco, asst. secretary.

Directors: Everitt A. Carter*, chairman; Robert T. McTigue*, Frank A. Astrologes, Leo Jedynak, Carl J. Bradshaw, Raymond W. Peirce, Philip S.Harper, Jr., Franklin A. Cole*, Henry A. Correa, Lawrence H. Rogers II, Vincent T. Gorguze*, John P. Gwin, Gary T. Barbera.

*Member of Executive Committee.

Divisions and Subsidiaries:

Oak Technology Inc.
Crystal Lake, Illinois

Oak Switch Systems Inc.
Crystal Lake, Illinois 60014
Rotary, pushbutton, keyboard, appliance and lever switches; relays and solenoids.

Hart Indiana Division
920 South Logan
P.O. Box 280
Mishawaka, Indiana 46544
Metal stamping.

Techno-Components Corp.
7803 Lemona Avenue
Van Nuys, California 91405

Miniature wirewound and non-wirewound potentiometers.

McCoy Electronics Company
Mt. Holly Springs, Pennsylvania 17065
Mercersbug, Pennsylvaia 17236

High-frequency and low-frequency crystals, crystal filters, oscillators and related devices for frequency control and selection.

O/E/N India Limited (45% owned)
Cochin Kerala, India

Switches, relays and potentiometers.

Oak Brasil Industrial Ltda.
Sao Paulo, Brasil

Rotary switches; tuner components.

Fluorglas Division
Hoosick Falls,New York 12090

PTFE coated substrates (glass-reinformced tapes; pressure sensitive tapes; sheet materials; belts; coated yarns) extruded PTFE films.

Oak Industries Korea Ltd. (50% owned)
Seoul, Korea

Phenolic paper and epoxy glass electrical grade laminates.

Oak Materials Taiwan Ltd. (70% owned)
Taipei, Taiwan

Phenolic and epoxy laminates.

Oak-Mitsui Inc. (78.2% owned)
Hoosick Falls, New York 12090

Electro-deposited copper foil.

Oak Laminates Division
Franklin, New Hampshire
Hoosick Falls, New York
Hayward, California

Standard rigid epoxy laminates, adhesive coated copper foil and other materials for flexible circuits, multilayer materials and microwave dielectric materials.

Oak Industries Hong Kong Ltd.
Hong Kong, B.C.C.

Oak Industries Singapore
Singapore

Oak Japan Limited
Tokyo, Japan

Harper-Wyman Company
Hinsdale & Princeton, Illinois

Gas controls and components; electric range controls, gas grills.

Harper Wyman de Mexico, S.A. de V.C.
Mexico, D.F., Mexico

Gas controls and components.

Oak Industries South Africa (Pty.) Ltd. (94.4% owned)
P.O. Box 1172
Pietermaritzburg, South Africa

Energy regulators; thermostats; low power rotary switches; series parallel appliance switches; toggle switches; pilot lights; general purpose relays; phase reversal relays; wirewound resistors; industrial low voltage transformers; industrial control equipment.

Oak-Fothergill, Inc. (60% owned)

Manufactures products made from graphite materials.

Oak Materials Group, Inc.
Hoosick Falls, New York 12090

Diamond H. Controls Ltd.
Volcan Road North
Norwich, NOR 85N
Norfolk, England

Thermostats; energy regulators; thermal switches; relays, time delay units and solenoids, rotary and toggle switches; snap-in devices; rotary, lever, moduline switches; indicator lights; electronic temperature and process controls.

Oak Communications Inc.
Rancho Bernardo, California

CATV Division
Cycle Lake, Illinois 60014
Elkhorn, Wisconsin

Manufactures devices used to transmit, distribute and receive cable television signals.

Heller-Oak Communications Finance Corp.
(50% owned)
105 West Adams Street
Chicago, Illinois 60603
Crystal Lake, Illinois

Purchase or lease-type financing programs for the communications industry.

National Subscription Television (51% owned)
Glendale, California

Pay television system.

Oak Broadcasting Systems, Inc. (50% owned)
Glendale, California

Oak Export Sales, Inc.

Oak East Industries Ltd.
Taipei, Taiwan

Manufactures pay television decoders and cable television converters.

Oak Systems Inc.
Rancho Bernardo, California 92127
Carlsbad, California 92008

Manufactures pay television decoders.

Oak Research and Engineering Center
Dordrecht, Holland

National Subscription Television of Chicago Inc.
Mt. Prospect, Illinois 60056

Pay television service.

National Subscription Television of Ft. Lauderdale Inc.
Hollywood, Florida 33022

Pay television services.

National Subscription Television of Phoenix Inc.
Phoenix, Arizona 85040

Pay television service.

Oak Systems of Texas Inc.
Arlington, Texas 76011

Pay television service.

Oak Television of Ft. Lauderdale Inc.
Hollywood, Florida 33022

Television station.

Oak CATV of Oxnard Inc.
Oxnard, California 93030

Cable television service.

Oak Television Services Inc.
Medford, New Jersey 08055

Management, programming and sales services to UHF broadcasters.

Transfer Agent(s):

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Stock Exchange(s): New York, Midwest

Ticker Symbol: OAK

Number of Employees:

1980	11,434	1977	7,544
1979	10,492	1976	7,966
1978	9,359		

Plant Footage:

1980 . . . . . . 2,078,168 sq. ft. 1979 1,400,996

Sales and Earnings

	Net Sales	Net Income
1980	$ 385,586,000	$ 20,082,000
1979	281,348,000	11,170,000
1978	192,181,000	4,850,000
1977	151,075,000	1,519,000
1976	144,138,398	2,625,430

	No. of Com. Shares #	Earn. per Share #
1980	10,797,380	$1.85
1979	7,996,572	1.36
1978	6,096,908	0.72
1977	5,054,254	0.19
1976	4,916,758	0.46

# Based on average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.20	—	2-for-1
1979	0.20	—	—
1978	0.18	—	3-for-2
1977	0.17	—	—
1976	0.13	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity #	Equity Per Share ‡
1980	$158,667,000†	$14.69
1979	101,027,000#	12.63
1978	49,280,000#	8.08
1977	30,624,000#	6.06
1976	29,411,249#	5.98

# After allowing for preferred stock redemption value of $100 per share for Series A and B.

† After allowing for preferred stock at redemption value of $25 per share for Series C.

‡ Based on the average number of shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 385,586,000	$ 281,348,000
Cost of sales	260,423,000	195,288,000
Expenses	78,107,000	54,900,000
Other expenses	20,080,000	7,647,000
Interest expense	19,421,000	6,250,000
Income before taxes	$ 29,501,000	$ 17,263,000
Income taxes	9,419,000	6,093,000
Net Income	$ 20,082,000	$ 11,170,000

* Included in Costs and Expenses, Depreciation and Amortization: $19,572,000 in 1980 and $10,169,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 5,894,000	$ 6,564,000
Marketable securities	58,640,000	15,949,000
Receiv., net	80,382,000	52,719,000
* Inventories	89,239,000	62,254,000
Prepaid taxes	5,437,000	2,840,000
Current Assets	$ 239,592,000	$ 141,326,000
Investments	8,484,000	2,476,000
# Fixed assets	117,629,000	72,985,000
Notes receiv.	9,906,000	3,649,000
Prepaid exp. & other assets	33,096,000	12,905,000
Total Assets	$ 408,707,000	$ 233,341,000

Liabilities

Notes payable	$ 11,362,000	$ 6,466,000
Long-term debt, curr.	6,734,000	6,309,000
Accts. payable	31,224,000	24,323,000
Accruals	31,688,000	25,402,000
Prepayments	14,213,000	7,780,000
Curr. Liabilities	$ 95,221,000	$ 70,280,000
Long-term debt	138,328,000	51,141,000

Minority interest	8,261,000	4,706,000
Deferred compensation & accrued pensions	2,110,000	2,588,000
Deferred inc. taxes	5,168,000	—
Deferred income	503,000	715,000
+ Preferred stock		
Series A & B	—	113,000
Series C	90,000	124,000
+ + Common stock	6,326,000	5,230,000
Add. paid-in capital	90,029,000	53,657,000
Retained earnings	62,722,000	44,843,000
Treasury stock	(51,000)	(56,000)
Total Liabilities & Shareholders' Equity	$ 408,707,000	$ 233,341,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $5 stated value; cumulative convertible.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.65	6.14
%Net Income to Sales	5.21	3.97
%Net Income to Equity	12.62	10.75
Sales to Inventories	4.32	4.45
Working Capital	$ 144,371,000	$ 71,046,000
Current Ratio	2.01	2.52
Shareholders' Equity	$ 159,116,000	$ 103,911,000

The Ohmart Corporation

4241 Allendorf Drive
P.O. Box 9026
Cincinnati, Ohio 45209
(513) 272-0131

Officers: Carl K. Gieringer, chairman of the board & president; Thomas E. Dewey, executive vice president; Lou Cook, v.p.; Paul Sieck, v.p.-manufacturing; James J. Guthrie, Jr., v.p.-sales & marketing; Sydnor I. Davis, assistant secretary; Wm G. Dorna, secretary & treasurer.

Directors: John G. Dobson, Nicholas Bauer, Carl F. Evert, Carl K. Gieringer, C. Ross Whiting, Lewis M. Crowe.

Areas of Work: Produces beta thickness gauges, conveyor scales, nuclear and electronic measuring devices used in process control.

Transfer Agent(s):

The First National Bank of Cincinnati
4th and Walnut Streets
Cincinnati, Ohio 45202

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	150	1979	150

Plant Footage:

1980	21,500 sq. ft.	1979	61,000

Sales and Earnings

	Net Sales	Net Income
1980	$ 6,037,548	$ 339,292
1979	6,474,382	654,207
1978	5,714,253	227,085
1977	5,021,093	110,323

	No. of Com. Shares	Earn. per Share
1980	123,238	$2.75
1979	123,238	5.31
1978	123,238	1.84
1977	123,238	0.90

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.25	—	—
1979	0.15	—	—
1978	0.15	—	—
1977	0.15	—	—
1976	0.15	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 3,153,110	$25.59
1979	2,844,628	23.08
1978	2,208,906	17.92
1977	2,000,306	16.23

Income Account *

Year ended Nov. 30	1980	1979
Net sales	$ 6,037,548	$ 6,474,382
Other income	145,270	99,238
Total Income	$ 6,182,818	$ 6,573,620
Cost of sales	2,955,388	3,192,395
Expenses	2,630,830	2,523,893
Interest expense	30,308	11,677
Income before taxes	$ 566,292	$ 845,655
Income taxes	227,000	360,000
Gain from unconsol. subsid.	—	(168,552)
Net Income	$ 339,292	$ 654,207

* Included in Costs and Expenses, Depreciation and Amortization: $73,315 in 1980 and $76,158 in 1979.

Assets

As of Nov. 30	1980	1979
Cash	$ 31,368	$ 38,206
Marketable securities	500,000	100,000
Accts. receiv., net	1,698,141	1,554,781
* Inventories	1,139,427	1,214,862
Prepaid expenses	33,377	81,225
Current Assets	$ 3,402,313	$ 2,989,074
# Fixed assets	1,108,576	569,182
Other assets	93,024	79,449
Total Assets	$ 4,603,913	$ 3,637,705

Liabilities

Long-term debt, curr.	$ 95,000	$ 30,000
Accts. payable	128,632	185,496
Accruals	487,051	405,857
Advance Payments	77,864	25,599
Income taxes	27,256	36,125
Curr. Liabilities	$ 815,803	$ 683,077
Long-term debt	635,000	110,000
+ Common stock	146,568	146,568
Add. paid-in capital	283,574	283,574
Retained earnings	2,722,968	2,414,486
Total Liabilities & Shareholders' Equity	$ 4,603,913	$ 3,637,705

* At lower of cost (LIFO) or market.
# Less accumulated deprecition.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	9.38	13.06
%Net Income to Sales	5.62	10.10
%Net Income to Equity	10.76	23.00
Sales to Inventories	5.30	5.33
Working Capital	$ 2,586,510	$ 2,305,997
Current Ratio	4.17	4.38
Shareholders' Equity	$ 3,153,110	$ 2,844,628

Orbit Instrument Corp.

131 Eileen Way
Syosset, New York 11791
(516) 921-6310

20121 Ventura Boulevard
Woodland Hills, California 91364
(213) 340-7000

Officers: Max Reissman, chairman of the board & president; Abraham H. Charton, secretary; Milton Gersten, asst. secretary & treasurer.

Directors: Max Reissman, Abraham H. Charton, Jay M. Haft.

Areas of Work: Develops and manufacturers X-Y ball trackers used as manual inputs to various navigation, radar display and control systems; single coordinate joysticks, servo repeaters, optical racking head assemblies, servo control transformers, and servo self-balancing potentiometers.

Transfer Agent(s):

American Transfer Co.
44 Beaver Street
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ORBT (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1980	$ 4,912,540	$ 931,028
1979	4,350,642	1,074,238
1978	3,524,761	370,248
1977	2,608,990	235,215
1976*	933,190	163,205

	No. of Com. Shares	Earn. per Share ‡
1980	264,454	$3.52
1979	254,454	4.13
1978	252,354	1.23
1977	315,644	0.59
1976*	465,119	0.35

‡ Based on the average number of common shares and common share equivalents outstanding.
* 3 months.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 3,669,564	$13.88
1979	2,713,536	10.66
1978	1,672,923	6.63
1977	1,534,190	4.86
1976	1,778,042	3.82

Income Account *

Year ended June 30	1980	1979
Net sales	$ 4,912,540	$ 4,350,642
Cost of sales	2,556,048	2,434,757
Expenses	716,265	610,390
Other income	(194,101)	(338,743)
Income before taxes	$ 1,834,328	$ 1,644,238
Income taxes	903,300	570,000
Net Income	$ 931,028	$ 1,074,238

* Included in Costs and Expenses, Depreciation and Amortization: $12,075 in 1980 and $9,560 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 2,751,153	$ 2,056,196
Accts. receiv., net	429,722	414,060
* Inventories	1,549,200	1,094,300
Prepaid expenses & other assets	37,105	37,519
Current Assets	$ 4,767,180	$ 3,602,075
Cert. of deposit	137,500	187,500
# Fixed assets	59,021	36,728
Other assets	32,385	28,465
Total Assets	$ 4,996,086	$ 3,854,768

Liabilities

Notes payable	$ 71,148	$ 69,612
Accts. payable	250,032	126,780
Accruals	295,857	211,737
Income taxes	378,752	318,173

Curr. Liabilities	$ 995,789	$ 726,302
Notes payable	330,733	401,880
Deferred taxes	—	13,050
+ Common stock	33,774	33,774
Add. paid-in capital	580,460	580,460
Retained earnings	3,311,845	2,380,817
Treasury stock in escrow	(256,515)	(256,515)
Unearned stock bonus	—	(25,000)
Total Liabilities & Shareholders' Equity	$ 4,996,086	$ 3,854,768

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	37.34	37.79
%Net Income to Sales	18.95	24.69
%Net Income to Equity	25.37	39.59
Sales to Inventories	3.17	3.98
Working Capital	$ 3,771,391	$ 2,875,773
Current Ratio	4.79	4.96
Shareholders' Equity	$ 3,669,564	$ 2,713,536

Orion Research Incorporated

840 Memorial Drive
Cambridge, Massachusetts 02139
(617) 864-5400

Officers: John H. Riseman, chairman of the board & president; Charles A. Rossiter, v.p.-international operations; Albert Diggins, v.p.-industrial products; Howard Langejans, v.p.-sales; James W. Ross, v.p.-research; H. Kenneth Fish, clerk; Robert W. Hagopian, secretary & asst. clerk; Robert B. Schmidt, exec. v.p.; Lionel S. Goldring, director-product development; Robert P. Story, Jr., treasurer; Thomas R. Ittelson, director-corporate marketing.

Directors: John H. Riseman, chairman; Robert F. Birch, James W. Ross, Jr., Alexander Jenkins III, Roger W. Kenyon, Robert W. Hagopian, Robert B. Schmidt.

Areas of Work: Manufactures specific ion electrodes, digital and analog pH meters and specific ion meters, and related electronic instruments used to analyze chemical solutions and to display and record the resulting data. Also manufactures syringe and tubing pumps employed for various scientific, industrial and medical purposes and a line of stat blood analyzers for use in hospitals.

Subsidiaries:

Orion Research Puerto Rico, Inc.
Rio Piedras, Puerto Rico
Manufacturer of chemical sensors (electrodes) and related products.

Orion International Sales, Inc. (DISC)

Orion Research AG
Kusnacht, Switzerland

Orion Resdel Corporation
Rio Grande, New Jersey
Manufactures centrifugally cast epoxy tubing.

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts 02102

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ORIR (NASDAQ)

Number of Employees:

1981	447	1978	388
1980	501	1977	319
1979	417		

Plant Footage:

1981	117,000 sq. ft.	1978	75,000
1980	99,000	1977	75,000
1979	75,000		

Sales and Earnings

	Net Sales	Net Income ‡
1981	$ 20,712,000	$ (377,000)
1980	19,312,000	1,179,000
1979	15,930,000	1,213,000
1978	13,532,000	1,270,000
1977	11,065,000	1,076,000

	No. of Com. Shares	Earn. per Share ‡ ×
1981	1,095,927	$ —
1980	1,065,328	1.09
1979	1,052,331	1.13
1978	1,060,490	1.21
1977	1,039,060	1.04

(Loss)
‡ Including extraordinary credit of $50,000 ($0.05 per share) in 1978.
× Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 7,383,000	$6.74
1980	7,566,000	7.10
1979	6,299,000	5.99
1978	5,224,000	4.93
1977	3,864,000	3.72

Income Account *

Year ended March 31	1981	1980
Net sales	$ 20,712,000	$ 19,312,000
Cost of sales	9,603,000	8,870,000
Expenses	9,876,000	9,177,000
Interest expense	886,000	526,000
Real estate oper.	427,000	—
Interest income	(30,000)	(202,000)
Income bef. taxes (loss)	$ (50,000)	$ 941,000
Income taxes	327,000	198,000
Cum. effect of acctng. change	—	(436,000)
Net Income (Loss)	$ (377,000)	$ 1,179,000

* Included in Costs and Expenses, Depreciation and Amortization: $814,000 in 1981 and $441,000 in 1980.

Assets

As of March 31	1981	1980
Cash	$ 566,000	$ 410,000
Accts. receiv., net	5,115,000	5,043,000
* Inventories, net	6,281,000	5,229,000
Prepaid expenses	262,000	192,000
Current Assets	$ 12,224,000	$ 10,874,000
Notes receiv.	235,000	133,000
Corp. hdqts. under construction	9,099,000	6,926,000
# Fixed assets	2,713,000	2,498,000
Total Assets	$ 24,271,000	$ 20,431,000

Liabilities

Term note	$ 500,000	$ 500,000
Subordinated debt	2,000,000	—
Long-term debt, curr.	35,000	46,000
Accts. payable	3,169,000	1,660,000
Accruals	1,198,000	1,305,000
Income taxes	523,000	229,000
Curr. Liabilities	$ 7,425,000	$ 3,740,000
Construction financing	7,250,000	4,880,000
Financing agreement	2,000,000	2,000,000
Long-term debt	213,000	245,000
Subordinated debt	—	2,000,000
+ Common stock	112,000	109,000
Add. paid-in capital	2,776,000	2,585,000
Retained earnings	4,685,000	5,062,000
Treasury stock	(190,000)	(190,000)
Total Liabilities & Shareholders' Equity	$ 24,271,000	$ 20,431,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

% Income bef. Taxes to Sales	—	4.87
% Net Income to Sales	—	6.11
% Net Income to Equity	—	15.58
Sales to Inventories	3.30	3.69
Working Capital	$ 4,799,000	$ 7,134,000
Current Ratio	1.65	2.91
Shareholders' Equity	$ 7,383,000	$ 7,566,000

Pacific Scientific Company

1350 South State College Boulevard
Anaheim, California 92803
(714) 535-8141

Officers: Harry R. Goff, chairman of the board; Stephen J. Toth, president & chief executive officer; Robert M. Bullard, v.p., president-Industrial Sales Division; V E. Davidson, v.p., president-HIAC/Royco Division; Richard V. Plat, v.p.-finance & administration, secretary; Thomas J. Pope, v.p., president-Kin-Tech Division.

Directors: Harry R. Goff, chairman; Decker G. McAllister, W.P. Balderston, James D. Hodgson, William A. Preston, Stephen J. Toth, Jack P. Wright.

Areas of Work: Operates in four areas: Energy, Electronic Instruments, Aerospace, and Industrial Sales.

Divisions and Subsidiaries:

Kin-Tech Division
Anaheim, California
Develops and markets mechanical shock arrestors and other safety devices for nuclear, and fossil fuel power plants; pipes, and petro-chemical plants.

HIAC/Royco Division
Menlo Park, California
Manufactures electronic instruments which measure contaminant particles in liquids and gases using remote sensors.

Gardner Laboratory Division
Bethesda, Maryland
Manufactures instruments for the measurement and control of appearance properties, colorimeters for use in the textile and food markets, and related software.

Industrial Sales Division
Santa Ana, California
Provides sales and service for a broad range of technical products produced by over 30 manufacturers in the fields of instrumentation, environmental testing, and industrial process equipment. Also provides field calibration and repair service for these products.
Pacific Scientific, Inc.
Basel, Switzerland

Pacific Scientific, GmbH
Stuttgart, West Germany

Pacific Scientific, S.A.R.L.
(Application submitted in France)

Transfer Agent(s):

United California Bank
Los Angeles, California

Stock Exchange(s): New York

Ticker Symbol: PSX

Number of Employees:

1980	722	1977	449
1979	568	1976	424
1978	472		

Plant Footage:

1980 ...... 211,500 sq. ft.

Pacific Scientific Company

Sales and Earnings

	Net Sales	Net Income
1980	$ 62,784,000	$ 7,153,000
1979	44,220,000	5,161,000
1978	33,892,000	4,479,000
1977	26,296,000	2,950,000
1976	16,911,000	1,241,000

	No. of Com. Shares	Earn. per Share †
1980	3,807,327	$1.83
1979	2,490,668	1.35
1978	2,480,150	1.24
1977	1,134,215	0.89

† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1980	1979
Restraint equip.	$ 37,681,000	$ 28,063,000
Electronic instruments	18,035,000	9,762,000
Technical sales & service	7,564,000	6,485,000
Corporate	737,000	789,000
Eliminations	(1,233,000)	(879,000)
Total	$ 62,784,000	$ 44,220,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.36	50%	—
1979	0.25	—	—
1978	0.15	100%	—
1977	0.07	50%	—
1976	0.06	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 29,156,000	$7.66
1979	23,053,000	9.26
1978	18,761,000	7.56
1977	11,331,000	9.99

Income Account *
(000's)

Year ended	12/26/80	12/28/79
Net sales	$ 61,276	$ 42,707
Other income	1,508	1,513
Total Income	$ 62,784	$ 44,220
Cost of sales	35,690	25,413
Expenses	12,564	8,776
Interest expense	794	130
Income before taxes	$ 13,736	$ 9,901
Income taxes	6,583	4,740
Net Income	$ 7,153	$ 5,161

* Included in Costs and Expenses, Depreciation and Amortization: $1,296,000 in 1980 and $709,000 in 1979.

Assets
(000's)

As of	12/26/80	12/28/79
Cash	$ 755	$ 882
Trade receiv., net	11,951	9,961
*Inventories	20,431	15,844
Prepaid expenses	41	29
Current Assets	$ 33,178	$ 26,716
#Fixed assets	5,740	8,280
Other assets	2,131	2,067
Total Assets	$ 41,049	$ 37,063

Liabilities
(000's)

Accts. payable	$ 3,975	$ 3,899
Accrued payroll	1,310	1,154
Other accruals	1,277	1,077
Income taxes	2,072	572
Other liab.	2,142	1,375
Curr. Liabilities	$ 10,776	$ 8,077
Long-term debt	1,117	5,933
+Common stock	3,808	2,491
Add. paid-in capital	2,330	3,308
Retained earnings	23,018	17,254
Total Liabilities & Shareholders' Equity	$ 41,049	$ 37,063

* At lower of cost (average) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	22.42	23.18
%Net Income to Sales	11.67	12.08
%Net Income to Equity	24.53	22.39
Sales to Inventories	3.00	2.70
Working Capital	$ 22,402,000	$ 18,639,000
Current Ratio	3.08	3.31
Shareholders' Equity	$ 29,156,000	$ 23,053,000

Panelgraphic Corporation

10 Henderson Drive
West Caldwell, New Jersey 07006
(201) 227-1500

Officers: Edward E. Finney, chairman of the board & president; Stewart Nellis, v.p.-marketing & sales; Michael E. Kane, executive vice president-operations; L. Bruce Puffer, Jr., secretary & general counsel; James M. Johnson, treasurer & controller.

Directors: Edward E. Finney, chairman; Richard G. Post, L. Bruce Puffer, Jr., Robert H. Frey.

Areas of Work: Electronic panels for the scientific industry. Designs and manufactures metal and plastic panels. Manufactures optical components such as read projection screens, readout filters and high-gain light diffusers. Designer and manufacturer of electrical displays ready to plug into an equipment interface.

Affiliates:

Thorn-Panelgraphic, Ltd. (26% owned)

Transfer Agent(s):

Continental Stock Transfer Corp.
(common stock)
19 Rector Street
New York, New York 10006

First Jersey National Bank
(debentures)
One Exchange Place
Jersey City, New Jersey 07303

Midlantic National Bank
(debentures)
744 Broad Street
Newark, New Jersey 07101

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income ‡
1979	$ 3,219,295	$ 228,880
1978	2,326,331	(112,120)
1977	2,063,706	34,907
1976	1,430,275	37,807
1975	1,704,284	(96,546)

	No. of Com. Shares #	Earn. per Share # ‡
1979	435,000	$0.53
1978	435,000	—
1977	435,000	0.08
1976	435,000	0.09
1975	431,250	—

(Loss)
‡ Including extraordinary gains of $69,000 ($0.16 per share) in 1979, $9,700 ($0.02 per share) in 1977 and $31,458 ($0.07 per share) in 1976.
# Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share #
1979	$ 515,898	$1.19
1978	287,018	0.66
1977	399,138	0.92
1976	364,231	0.84
1975	326,424	0.76

# Based on the weighted average number of shares outstanding.

Income Account *

Year ended Aug. 31	1979	1978
Net sales	$ 3,219,295	$ 2,326,331
Other income	25,256	7,199
Gain on repurch. of deben.	13,328	9,913
Total income	$ 3,257,879	$ 2,343,443
Cost of sales	1,788,466	1,534,230
Expenses	1,148,182	860,587
Interest expense	72,251	60,746
Income (loss) before taxes	$ 248,980	$ (112,120)
Income taxes	89,100	—
Net Income (Loss)	$ 159,880	$ (112,120)
Extraord. gain	69,000	—
Net Income (Loss) & extraord. gain	$ 228,880	$ (112,120)

* Included in Costs and Expenses, Depreciation and Amortization: $46,620 in 1979 and $40,888 in 1978.

Assets

As of Aug. 31	1979	1978
Cash	$ 10,000	$ 36,835
Accts. receiv., net	495,930	326,980
Joint venture	25,578	41,744
* Inventories	333,265	304,349
Prepaid expenses	14,506	4,067
Current Assets	$ 879,279	$ 713,975
# Fixed assets	531,165	509,469
Defer. expenses	7,574	12,696
Total Assets	$ 1,418,018	$ 1,236,140

Liabilities

Notes payable	$ 82,686	$ —
Long-term debt, curr.	62,875	60,000
Cap. lease oblig., curr.	16,487	6,272
Accts. payable	135,161	128,322
Accruals	73,875	29,051
Accrued payroll	57,777	23,418
Accrued taxes	27,178	70,860
Curr. Liabilities	$ 456,039	$ 317,923
Long-term debt	211,125	281,500
Note payable	165,714	290,000
Deferred income	23,833	29,033
Cap. lease oblig.	45,409	30,666
+ Common stock	43,500	43,500
Add. paid-in capital	277,800	277,800
Retained earnings (deficit)	194,598	(34,282)
Total Liabilities & Shareholders' Equity	$ 1,418,018	$ 1,236,140

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.73	—
%Net Income to Sales	4.97	—
%Net Income to Equity	30.99	—
Sales to Inventories	9.66	7.64
Working Capital	$ 423,240	$ 396,052
Current Ratio	1.93	2.25
Shareholders' Equity	$ 515,898	$ 287,018

PaR Systems Corp.

3460 Lexington Avenue North
St. Paul, Minnesota 55112
(612) 484-7261

Officers: Karl E. Neumeier, president; Glenn R. Rose, executive v.p.; Robert W. Wiesener, v.p.; Edward S. Hagerty, secretary; Larry Kjeldseth, treasurer.

Directors: Karl E. Neumeier, Glenn R. Rose, Edward S. Hagerty, N. Philip Lord, Stewart D. Sheldon, Jr., Joseph P. Meyers.

Areas of Work: Designs, manufactures and sells, primarily for the nuclear industry, specialized remote handling equipment, including powered manipulators, master-slave manipulators, and nuclear power plant fuel handling and inspection equipment; produces equipment for the mining industry to assist in relining large grinding mills; produces watt-hour meters for electric utilities.

Transfer Agent(s):

Northwestern National Bank of Minneapolis
7th Street & Marquette
Minneapolis, Minnesota 55440

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PARS (NASDAQ)

Number of Employees:

1980	280	1977	153
1979	230	1976	141
1978	200		

Plant Footage:

1980	152,000 sq.ft.	1977	73,800
1979	140,000	1976	45,800
1978	82,800		

Sales and Earnings

	Net Sales	Net Income
1980	$ 19,296,323	$ 1,828,715
1979	11,355,128	915,188
1978	8,631,925	496,925
1977	5,561,160	330,373
1976	4,523,000	292,000

	No. of Com. Shares	Earn. per Share ‡
1980	1,089,252	$1.68
1979	1,089,252	1.06
1978	801,952	0.61
1977	801,952	0.41
1976	800,452	0.36

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	—
1978	—	—	—
1977	—	—	—
1976	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 8,142,520	$7.48
1979	6,313,805	5.80
1978	2,722,224	3.39
1977	2,225,299	2.77
1976	1,892,774	2.36

‡ Adjusted to reflect stock split.

Income Account *

Year ended April 30	1980	1979
Net sales	$ 19,296,323	$ 11,355,128
Cost of sales	14,821,080	8,654,746
Expenses	945,185	724,453
Other charges	99,343	313,741
Income before taxes	$ 3,430,715	$ 1,662,188
Income taxes	1,602,000	747,000
Net Income	$ 1,828,715	$ 915,188

*Included in Costs and Expenses, Depreciation and Amortization $180,630 in 1980 and $147,242 in 1979.

Assets

As of April 30	1980	1979
Cash	$ 369,734	$ 382,703
Temp. invest.	593,502	—
Accts. receiv. net.	2,648,854	2,362,590
Refundable inc. taxes	—	252,277
Costs and est. earnings in excess of billings	7,007,087	5,686,269
*Inventories	1,229,163	1,101,570
Prepaid expenses	32,258	35,999
Current Assets	$ 11,880,598	$ 9,821,408
# Fixed assets	1,616,635	1,453,590
Other assets	47,793	51,047
Total Assets	$ 13,545,026	$ 11,326,045

Liabilities

Notes payable	$ —	$ 200,000
Long-term debt, curr.	19,268	23,527
Accts. payable	1,063,131	623,016
Billings in excess of costs & est. earnings	542,641	1,308,618
Accruals	484,493	350,247
Accrued inc. taxes	1,203,143	—
Deferred income taxes	1,885,414	1,504,414
Curr. Liabilities	$ 5,198,090	$ 4,009,822
Long-term debt	72,340	891,342
Deferred inc. taxes	132,076	111,076
+ Common stock	108,925	108,925
Add. paid-in capital	2,997,533	2,997,533
Retained earnings	5,036,062	3,207,347
Total Liabilities & Shareholders' Equity	$ 13,545,026	$ 11,326,045

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	17.78	14.64
%Net Income to Sales	9.48	8.06
%Net Income to Equity	22.46	14.49
Sales to Inventories	15.70	10.31
Working Capital	$ 6,682,508	$ 5,811,586
Current Ratio	2.29	2.45
Shareholders' Equity	$ 8,142,520	$ 6,313,805

Paradyne Corporation

8550 Ulmerton Road
Largo, Florida 33540
(813) 530-2000

Officers: Robert S. Wiggins, chairman of the board, president & chief executive officer; Verney L. Brown, sr. v.p.-operations; Robert W. Jones, controller & secretary; Jerry T. Kendall, v.p.-U.S. marketing; George B. Pressly, v.p.-corporate development & product planning; Robert J. Shea, v.p.-international marketing; Richard S. Washburn, v.p.-finance & administration, treasurer.

Directors: Verney L. Brown, Paul J. Ferri, Frederick K. Fluegel, Robert S. Wiggins, chairman; Henry H. Greer, J. Thomas Lawson, James K. Taggart.

Areas of Work: Designs, manufactures, markets, and services medium and high speed data communications equipment. The two principal product lines include: Modems and Analysis systems to allow transmission of computer information over telephone lines and PIX systems designed to communicate between remote peripheral devices and IBM computers.

Subsidiaries:

Paradyne Caribbean
8550 Ulmerton Road
Largo, Florida 33541

Paradyne Canada, Ltd
200 Consumers Road Suite 504
Willowdale, Ontario M2J 4R4
Canada

Paradyne (U.K.) Ltd.
Gretag House
William Street
Windsor, Berkshire SL41BB
England

Paradyne GmbH
Maarweg 141
5000 Koeln 41
West Germany

Transfer Agent(s):

State Street Bank & Trust Company
225 Franklin Street
Boston, Massachusetts 02101

Stock Exchange(s): American

Ticker Symbol: PDN

Number of Employees:

1980	1,617

Plant Footage:

1980	250,000 sq. ft.

Sales and Earnings

	Revenues	Net Income‡
1980	$ 75,907,000	$ 8,247,000
1979	41,441,000	4,765,000
1978	25,899,000	3,087,000
1977	15,358,000	1,554,000
1976	10,722,000	516,000

	No. of Com. Shares†	Earn. per Share†‡
1980	11,204,067	$0.74
1979	9,107,960	0.45
1978	7,744,450	0.21
1977	6,258,054	0.13
1976	3,836,390	0.07

† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.
‡ Including extraordinary gains of $648,000 ($0.07 per share) in 1979, $1,480,000 ($0.19 per share) in 1978, $740,000 ($0.12 per share) in 1977 and $245,000 ($0.06 per share) in 1976.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	4-for-3 & 2-for-1

Paradyne Corporation

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 64,128,000	$5.72
1979	31,809,000	3.49
1978	15,706,000	2.03
1977	6,047,000	0.97
1976	3,468,000	0.90

† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 60,990	$ 33,732
Other income	14,917	7,709
Total Revenues	$ 75,907	$ 41,441
Cost of sales & revenues	36,446	20,214
Expenses	28,548	15,713
Interest income	(965)	(89)
Income before taxes	$ 11,878	$ 5,603
Income taxes	3,631	1,486
Net Income	$ 8,247	$ 4,117
Extraord. gain	—	648
Net Income & Extraord. gain	$ 8,247	$ 4,765

* Included in Costs and Expenses, Depreciation and Amortization: $4,714,000 in 1980 and $2,001,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash & cash invest.	$ 3,977	$ 1,703
Invest. in sales-type lease	4,815	2,937
Accts. receiv., net	17,300	10,721
*Inventories	25,056	8,670
Prepaid expenses	766	632
Current Assets	$ 51,914	$ 24,663
Invest. in sales type lease	8,515	5,820
# Equip on oper. leases	11,328	6,235
# Fixed assets	13,793	3,206
Other assets	120	103
Total Assets	$ 85,670	$ 40,027

Liabilities
(000's)

	1980	1979
Accts. payable	$ 8,331	$ 4,546
Accruals:		
Salaries commissions bonuses	1,562	1,419
Profit sharing	675	420
Vacation & holiday pay	550	333
Income taxes	194	79
Deferred inc. taxes	952	—
Other liab.	1,036	667
Curr. Liabilities	$ 13,300	$ 7,464
Long-term debt	5,958	754
+ Common stock	1,147	378
Add. paid-in capital	52,975	29,672
Retained earnings	10,006	1,759
Total Liabilities & Shareholders' Equity	$ 85,670	$ 40,027

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	15.65	13.52
%Net Income to Revenues	10.86	9.93
%Net Income to Equity	12.86	12.94
Working Capital	$ 38,614,000	$ 17,199,000
Current Ratio	3.90	3.30
Shareholders' Equity	$ 64,128,000	$ 31,809,000

Park Electrochemical Corp.

475 Northern Boulevard
Great Neck, New York 11021
(516) 466-5700

Officers: Jerry Shore, chairman, chief executive officer and president; William R. Bastian, Stanley H. Randall, vice presidents; Harry Linzer, secretary & treasurer.

Directors: Anthony Chiesa, Leon H. Keyserling, Thomas H. Quinn, Jerry Shore, A. Michael Victory, Norman M. Schneider.

Areas of Work: Manufactures, through its eight operating companies— (1) plastic and aluminum decorative trim for the automobile, appliance, digital watch and calculator, jewelry, cosmetic, personal care and specialty industries; (2) printed circuit materials for the computer, telecommunication, military and consumer electronics industries; (3) high reliability adhesive bonding films for industrial and medical applications; (4) plated plastic and zinc plumbing hardware as well as plated zinc parts for the automobile and appliance industry; and (5) metal and plastic nameplates for industry.

Divisions and Subsidiaries:

New England Laminates Co., Inc.
Elm Street
Walden, New York 12586

Grand Rapids Die Casting Corp.
Zinc-Plas Corporation
Stem Search Corporation
25 North Park Street
Comstock Park, Michigan 49321

Dielectric Polymers, Inc.
218 Race Street
Holyoke, Massachusetts 01040

Park Nameplate Co., Inc.
33-37 Farrington Street
Flushing, New York 11354

Hallmark Nameplate, Inc.
1855 New Highway
Farmingdale, New York 11735

Nelco Products, Inc.
1100 E. Kimberly Avenue
Anaheim, California 92801

New England Laminates (U.K.) Limited
Skelmersdale, Lancashire,
United Kingdom

Closed Loop Environmental and Recovery Corporation
475 Northern Boulevard
Great Neck, New York 11021

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey

Stock Exchange(s): American

Ticker Symbol: PKE

Sales and Earnings

	Net Sales	Net Income	No. of Com. Shares #	Earn. per Share #
1981	$ 49,828,000	$ 1,485,000	1,187,000	$1.25
1980*	54,370,000	1,626,000	1,169,000	1.39
1979	42,920,000	454,000	1,146,387	0.40
1978	37,497,000	263,000	1,126,038	0.23
1977	32,273,000	103,000	1,129,729	0.09

* 53 weeks.
# Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1981	1980
Decorative materials	$ 23,696,000	$ 27,238,000
Circuitry materials	26,132,000	27,132,000
Total	$ 49,828,000	$ 54,370,000

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 12,622,000	$10.90
1980	11,099,000	9.72
1979	9,432,417	8.48
1978	8,986,220	8.06
1977	8,763,000	7.76

Income Account *

Year ended	3/1/81 (53 weeks)	3/2/80
Net sales	49,828,000	54,370,000
Cost of sales	40,994,000	45,305,000
Expenses	6,619,000	6,194,000
Interest expense	42,000	103,000
Income before taxes	$ 2,173,000	$ 2,768,000
Income taxes	688,000	1,142,000
Net Income	$ 1,485,000	$ 1,626,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,038,000 in 1981 and $987,000 in 1980.

Assets

As of	3/1/81	3/2/80
Cash	$ 938,000	$ 419,000
Accts. receiv., net	7,441,000	7,749,000
* Inventories	4,906,000	4,479,000
Prepaid & other assets	519,000	610,000
Current Assets	$ 13,804,000	$ 13,257,000
# Fixed assets	7,596,000	6,653,000
Leased property	306,000	338,000
Other assets	486,000	79,000
Total Assets	$ 22,192,000	$ 20,327,000

Liabilities

	3/1/81	3/2/80
Bank loans payable	$ —	$ 204,000
Long-term debt, curr.	65,000	70,000
Cap. lease oblig., curr.	33,000	29,000
Accts. payable	3,570,000	4,467,000
Accruals	2,081,000	2,125,000
Income taxes	568,000	1,133,000
Curr. Liabilities	$ 6,317,000	$ 8,028,000
Long-term debt	2,376,000	441,000
Cap. lease oblig.	478,000	511,000
Deferred inc. taxes	399,000	248,000
+ Common stock	118,000	118,000
Add. paid-in capital	3,783,000	3,822,000
Retained earnings	8,805,000	7,320,000
Treasury stock	(84,000)	(161,000)
Total Liabilities & Shareholders' Equity	$ 22,192,000	$ 20,327,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.36	5.09
%Net Income to Sales	2.98	2.99
%Net Income to Equity	11.77	14.65
Sales to Inventories	10.16	12.14
Working Capital	$ 7,487,000	$ 5,229,000
Current Ratio	2.19	1.65
Shareholders' Equity	$ 12,622,000	$ 11,099,000

Parker Hannifin Corporation

17325 Euclid Avenue
Cleveland, Ohio 44112
(216) 531-3000

Officers: Patrick S. Parker, chairman of the board and chief executive officer; Allen N. Aiman, president and chief operating officer; Richard Bertea, Donald S. Manning, sr. v.p.'s; R.C. Barnd, v.p.; Frederick A. Downey, v.p.-finance & administration; Zdenek J. Lansky, v.p.-technical director; Alfred W. Lindstrom, v.p.-int'l. operations; Tommy J. McCuistion, v.p.-marketing & economics; John L. Hanson, v.p.-employee relations; Paul G. Schloemer, Dennis W. Sullivan, John Wenzel, v.p.'s; Harold C. Gueritey, Jr., controller; Joseph C. Whiteman, general counsel & secretary; Wallace C. Young, treasurer; Lawrence J. Hopcraft, Rhinehold G. Pastryk, group presidents.

Directors: Allen N. Aiman, Keith S. Benson, Robert W. Cornell, Allen H. Ford, Joseph W. Hibben, Frank A. LePage, Hugh D. Luke, Reynold C. MacDonald, Donald S. Manning, Patrick S. Parker, Philip Rauch, Scott A. Rogers, Jr., Maurice L. Schwarz, Richard Bertea.

Areas of Work: Industrial products include: hydraulic, pneumatic and cryogenic cylinders, valves, controls, and filters; hydraulic pumps, accumulators, motors, and power system units; hose, tube and applicable connectors and fittings; sealing devices; worm drive clamps; refrigeration and air conditioning system components. Aviation/Space/Marine Products include: gas tubine fuel injection control valves and nozzles; precision control valves for cryogenic and conventional fuels; valves for pressurized gases used in space experiments and space craft altitude jets; hydraulic valves. Automotive products include: worm drive clamps; thermostats; windshield wiper blades and refills; windshield washer pumps; turn signal and hazard warning flashers; mirrors; radio antennas; air conditioner fittings, hose assemblies, receiver-dryers, valves, couplers and mufflers; grease guns; oilers; tire valves, gauges and hardware; air line couplers; blow guns; seals; disc and drum brake fluids and components.

Operating Groups:

Parker Bertea Aerospace Group
18321 Jamboree Boulevard
Irvine, California 92715
(714) 833-300

Automotive Aftermarket Group
1000 Pennsylvania Avenue
Brooklyn, New York 11207
(212) 498-4000

Automotive Connectors Group
17325 Euclid Avenue
Cleveland, Ohio 44112
(216) 531-3000

Fluid Connectors Group
17325 Euclid Avenue
Cleveland, Ohio 44112
(216) 531-3000

Fluidpower Group
17325 Euclid Avenue
Cleveland, Ohio 44112
(216) 531-3000

International Group
17325 Euclid Avenue
Cleveland, Ohio 44112
(216) 531-3000

Refrigeration Components Group
2421 South 25th Avenue
Broadview, Illinois 60153
(312) 681-3576

Seal Group
2360 Palumbo Drive
Lexington, Kentucky 40509
(606) 269-2351

Acquisition(s):

Airborne Mfg. Co. (Aug. 1979)
Manufactures a broad line of fluid systems for the builders and users of private and business aircraft.

E. Edelman Co. (Nov. 1979)
Skokie, Illinois
Manufactures replacement gas and radiator caps, power steering components, and fluid monitoring devices.

Ermeto Armaturen GmbH (Dec. 1980)
Bielefeld, West Germany
Produces metric fluid connectors and valves.

Clark-Feather Manufacturing Co.

Transfer Agent(s):

The AmeriTrust Company
Cleveland, Ohio

Stock Exchange(s): New York

Number of Employees:

1980	20,051	1977	16,676
1979	20,212	1976	14,749
1978	17,705		

Sales and Earnings ‡

	Net Sales (000's)	Net Income (000's)
1980	$ 1,022,376	$ 55,974
1979	892,152	53,196
1978	729,286	40,816
1977	615,310	34,678
1976	505,991	25,984

	No. of Com. Share #	Earn. per Share #
1980	14,719,000	$3.80
1979	14,624,000	3.64
1978	14,214,000	2.87
1977	14,159,000	2.45
1976	13,122,000	1.98

‡ Restated to include operations of companies acquired on a pooling of interests basis.
# Based on the weighted average number of common shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Industrial	$ 612,550	$ 519,008
Aviation/Space/Marine	223,705	183,069
Automotive	187,635	191,287
Interseg. sales	(1,514)	(1,212)
Total	$ 1,022,376	$ 892,152

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.20	—	—
1979	1.125	—	—
1978	1.025	—	—
1977	0.85	—	—
1976	0.76	—	—

Common Stock Equity ‡

	Total Equity	Equity Per Share
1980	$ 337,558,000	$22.89
1979	298,012,000	20.30
1978	255,245,000	17.98
1977	225,488,000	15.89
1976	195,158,000	14.13

‡ Restated to include operations of companies acquired on a pooling of interests basis.

Income Account *
(000's)

Year ended June 30	1980	1979‡
Net sales	$ 1,022,376	$ 892,152
Cost of sales	791,058	675,221
Expenses	120,202	110,496
Interest expense	20,408	12,636
Interest & other income	(1,722)	(4,263)
Income before taxes	$ 92,430	$ 98,062
Income taxes	36,456	44,866
Net Income	$ 55,974	$ 53,196

* Included in Costs and Expenses, Depreciation: $22,776,000 in 1980 and $18,801,000 in 1979.
‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets
(000's)

As of June 30	1980	1979‡
Cash	$ 297	$ 1,453
Investments	1,440	7,900
Accts. receiv., net	158,095	143,554
* Inventories	270,054	240,348
Prepaid expenses	5,157	5,380
Current Assets	$ 435,043	$ 398,635
Investments & other assets	8,100	9,745
Fixed assets	207,300	176,850
Intangibles	3,250	2,867
Total Assets	$ 653,693	$ 588,097

Liabilities

	1980	1979‡
Notes payable	$ 48,798	$ 40,332
Accts. payable	48,322	49,278
Accruals	32,237	30,025
Accrued payroll	23,126	19,266
Accrued taxes	18,392	23,767
Current Liabilities	$ 170,875	$ 162,668
Long-term debt	135,187	118,775
Deferred inc. taxes	10,073	8,642
+Common Stock	7,378	7,350
Add. paid-in capital	40,607	39,518
Retained earnings	289,774	251,531
Treasury stock	(201)	(387)
Total Liabilities & Shareholders' Equity	$ 653,693	$ 588,097

‡ Restated to include operations of companies acquired on a pooling of interests basis.
* At lower of cost or market. Majority of domestic inventories stated at LIFO; remainder at FIFO.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	9.04	10.99
%Net Income to Sales	5.47	5.96
%Net Income to Equity	16.58	17.85
Sales to Inventories	3.79	3.71
Working Capital	$ 264,168,000	$ 235,967,000
Current Ratio	2.55	2.45
Shareholders' Equity	$ 337,558,000	$ 298,012,000

Penril Corp.

5520 Randolph Road
Rockville, Maryland 20852
(301) 881-8151

Officers: Kenneth M. Miller, president & chief executive officer; Alva T. Bonda, chairman of the board & treasurer; William S. Lambdin, v.p. & general manager-Electro-Metrics Div.; Walter S. Robinson, v.p. & general manager-Data Tech. Div.; Harry G. Brustlin, v.p.-Epicure Products, Inc.; Jack D. Phillips, v.p. & gen. mgr.-Technipower Div.; J. Graham Holland, v.p. & gen. mgr.-Data Communications Div.; Paul E. Keane, exec. v.p.; Harry O. Christenson, secretary & corporate controller; Gloria Ehrlich, asst. secretary.

Directors: Alva T. Bonda, chairman; Merrill Solomon, Kenneth M. Miller, Dennis B. Hefferman, Richard D. Margolis.

Areas of Work: Designs, manufactures and markets data communications equipment, electronic test and measurement instruments, electronics power supplies, electronic power conversion and consumer audio equipment.

Divisions:

Data Communications Division
5520 Randolph Road
Rockville, Maryland 20852
(301) 881-8151
Manfactures data communications equipment.

Electro-Metrics Division
100 Church Street
Amsterdam, New York 12010
(518) 843-2600
Maufactures test instruments for measurement of RFI/EMI (radio frequency and other electromagnetic interference).

Data Tech Division
3110 W. Segerstrom Avenue
Santa Ana, California 92704
(714) 546-7160
Manufactures electronic digital instrument products which include digital panel meters, digital multimeters, analog to digital converters, logic modules and computer memory devices.

Technipower Division
Commerce Drive
Commerce Park
Danbury, Connecticut 06810
(203) 748-7000
Manufactures power conversion equipment including high reliability encapsulated power supplies, auto transformers and voltage regulators.

Subsidiaries:

Penril Technical S.A.
6 Rue De La Corsaz
CH 1820
Montreux, Switzerland
Manufactures high reliability encapsulated power supplies.

Epicure Products, Inc.
One Charles Street
Newburyport, Massachusetts 01950
(617) 462-3181
Manufactures high fidelity loudspeaker systems and markets transcription turntables.

Transfer Agent(s):

National Bank of Washington
4340 Connecticut Avenue, N.W.
Washington, D.C. 20008

Morgan Guaranty & Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): American

Ticker Symbol: PNL

Number of Employees:

1980	680	1977	400
1979	670	1976	325
1978	600		

Plant Footage:

1980	197,200 sq. ft.	1977	132,000
1979	269,343	1976	125,000
1978	269,343		

Sales and Earnings

	Revenues	Net Income
1980	$ 33,333,828	$ 1,783,405
1979	22,691,797	1,453,169
1978	13,608,980	1,085,170
1977	9,582,844	820,834
1976	7,885,600	702,623

	No. of Com. Shares #	Earn. per Share #
1980	1,324,884	$1.35
1979	1,317,719	1.10
1978	1,299,791	0.83
1977	1,272,378	0.65
1976	1,257,525	0.56

# Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.15	—	—
1979	0.125	—	—
1978	0.075	—	—
1977	0.04	—	—
1976	0.03	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 13,356,310	$10.08
1979	6,129,666	4.65
1978	4,767,931	3.67
1977	3,757,478	2.95
1976	2,978,085	2.37

‡ Based on the weighted average number of shares outstanding.

Income Account *

Year ended July 31	1980	1979
Net sales & revenues	$ 33,333,828	$ 22,691,797
Cost of sales	18,550,339	12,101,180
Expenses	10,536,295	7,564,776
Interest expense	1,156,609	406,236
Other income	(150,720)	(106,964)
Income bef. taxes	$ 3,241,305	$ 2,726,569
Income taxes	1,457,900	1,273,400
Net Income	$ 1,783,405	$ 1,453,169

*Included in Costs and Expenses, Depreciation and Amortization: $775,224, in 1980 and $438,181 in 1979.

Assets

As of July 31	1980	1979
Cash	$ 453,829	$ 519,295
Accts. receiv., net	7,015,701	4,616,665
Other receiv.	234,965	365,338
* Inventories	10,321,032	5,603,697
Other assets	452,737	103,182
Current Assets	$ 18,478,264	$ 11,208,177
Receivables	239,659	114,013
# Fixed assets	3,538,149	1,287,127
Other assets	720,371	257,648
Equip. leased	490,560	392,925
Intangible	1,119,831	973,436
Total Assets	$ 24,586,834	$ 14,235,326

Liabilities

Notes payable	$ —	$ 200,000
Long-term debt, curr.	13,758	—
Accts. payable	3,268,201	1,283,021
Accruals	1,460,304	1,246,179
Income & other taxes	95,114	272,205
Reserve for prod. warranty	187,481	153,423
Curr. Liabilities	$ 5,024,858	$ 3,154,828
Long-term debt	5,796,242	4,690,000
Other liabilities	49,424	52,832
Deferred inc. taxes	360,000	206,000
+ Common stock	19,057	12,872
Add. paid-in capital	8,265,200	2,648,552
Retained earnings	5,131,428	3,535,768
Treasury stock	(35,001)	(35,001)
Note receiv.	(24,374)	(33,525)
Total Liabilities & Shareholders' Equity	$ 24,586,834	$ 14,233,326

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.72	12.02
%Net Income to Sales	5.35	6.40
%Net Income to Equity	13.35	23.71
Working Capital	$ 13,453,406	$ 8,053,349
Current Ratio	3.68	3.55
Shareholders' Equity	$ 13,356,310	$ 6,129,666

Pentron Industries, Inc.

3690 Orange Place, Suite 250
Beachwood, Ohio 44122
(216) 464-4800

Officers: H. Harold Ballonoff, chairman of the board, treasurer, & chief exec. officer; Harry Scharf, president & chief operating officer; Edward R. Brown, executive vice president, counsel & secretary; J.C. Mabry, v.p. & gen. mgr.-Southern Electric Division.

Directors: Carl M. Adams, H. Harold Ballanoff, Edward R. Brown, Harry Scharf, Samuel J. Krasney.

Areas of Work: Produces lithographed metal and plastic housewares items and specialty promotional items; personal home record file boxes; small items cabinets, filing cabinets and desks; molded plastic products and rigid and flexible extruded plastic parts; replacement coils for large electrical motors and generators; develops and manufactures innovative electrical digital "readout" measuring instruments used in the installation of telephone and pipe lines.

Divisions and Subsidiaries:

Dynalab, Inc.
Columbus, Ohio

Ballonoff Home Products Division
Cleveland, Shelby & Columbiana, Ohio

Nu-Metrics Division
Connellsville, Pennsylvania
Beachwood, Ohio

M/S Industries, Inc.
Columbus, Ohio

Southern Electric Division
Hammond, Indiana
El Paso, Texas

Plexpro Plastics Division
Middlefield, Ohio

Transfer Agent(s):

Registrar and Transfer Co.
Jersey City, New Jersey

Stock Exchange(s): American

Ticker Symbol: PEN

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 27,923,393	$ 241,129
1979	25,184,143	425,625
1978	19,116,488	735,211
1977	15,276,909	362,132
1976	13,818,918	598,180

	No. of Com. Shares #	Earn. per Share ‡ #
1980	3,266,601	$0.07
1979	3,266,619	0.13
1978	3,211,048	0.23
1977	3,227,591	0.11
1976	3,114,256	0.19

‡Including extraordinary gain of $107,295 ($0.03 per share) in 1978.

# Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1980	1979
Houseware prods.	$ 19,273,130	$ 17,393,792
Electrical prods.	8,057,110	7,017,785
Electronic prods.	593,153	772,566
Total	$ 27,923,393	$ 25,184,143

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 5,000,725	$1.53
1979	4,759,596	1.46
1978	4,289,316	1.34
1977	3,554,105	1.10
1976	3,191,973	1.02

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 27,923,393	$ 25,184,143
Cost of sales	22,236,923	20,311,436
Expenses	4,613,539	3,983,580
Interest expense	730,584	533,935
Other income	(10,784)	(298,433)
Income before taxes	$ 353,129	$ 653,625
Income taxes	112,000	228,000
Net Income	$ 241,129	$ 425,625

* Included in Costs and Expenses, Depreciation and Amortization: $627,564 in 1980 and $564,371 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 202,044	$ 94,157
Accts. & notes receiv., net	2,930,925	3,889,642
* Inventories	5,026,611	4,230,783
Prepaid expenses & curr. assets	96,534	68,142
Refundable inc. taxes	—	264,000
Current Assets	$ 8,276,114	$ 8,546,724
# Fixed assets	4,218,953	4,131,895
Other assets	493,828	501,564
Total Assets	$ 12,988,895	$ 13,180,183

Liabilities

	1980	1979
Notes payable	$ 313,672	$ 1,425,282
Long-term debt, curr.	655,594	623,084
Accts. payable	1,473,523	2,453,520
Accruals	728,243	544,925
Accrued payroll	222,998	297,229
Income taxes	125,421	79,760
Other liabilities	16,819	122,369
Curr. Liabilities	$ 3,536,270	$ 5,546,169
Long-term debt	4,194,993	2,664,474
Deferred inc. taxes & credits	256,907	209,944
+ Common stock	3,179,256	3,179,256
Add paid-in capital	244,294	244,294
Retained earnings	1,577,175	1,336,046
Total Liabilities & Shareholders' Equity	$ 12,988,895	$ 13,180,183

* At lower of cost or market.

# Less accumulated depreciation.

+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	1.26	2.60
%Net Income to Sales	0.86	1.69
%Net Income to Equity	4.82	8.94
Sales to Inventories	5.56	5.95
Working Capital	$ 4,739,844	$ 3,000,555
Current Ratio	2.34	1.54
Shareholders' Equity	$ 5,000,725	$ 4,759,596

The Perkin-Elmer Corporation

Main Avenue
Norwalk, Connecticut 06856
(203) 762-1000

Officers: Robert H. Sorensen, chairman of the board & chief executive officer; Horace G. McDonell, Jr., president & chief operating officer; Michael D. Stashower, sr. v.p.-finance; Bradley F. Gandrup, v.p.-industrial relations; Alfred H. Munkenbeck, Jr., v.p. & treasurer; James P. Gregory, v.p., gen. counsel & secretary; Thomas P. Fahy, v.p.-operations staff; Boine T. Johnson, v.p.-corp. administration; Eugene F. Gross, v.p.-industrial relations; Philip C. Danford, asst. treasurer; C. Wendell Bergere, Jr., asst. secretary.

Directors: Robert H. Sorensen*, chairman of the board; Chester W. Nimitz, Jr.*, George C. Dacey*, E. Russell Eggers, Horace G. McDonell, Jr., J. David Parkinson, John S. Scott, Robert E. Thomas*, Charles H. Townes*, James L. Bast.

*Member of Executive Committee.

Areas of Work: Products manufactured by the Instrument Group include: infrared, ultraviolet and visible spectrophotometers; atomic absorption and fluorescence spectrophotometers; nuclear magnetic resonance, mass spectrometers; gas and liquid chromatographs; vacuum plasma spray systems; elemental, thermal and amino acid analyzers; pH meters; flame photometers; polarimeters; colorimeters; electron microsopes; molecular weight apparatus; iron pumps and high vaccuum systems; concentration readouts, data recorders and computer interface equipment. The Optical Group manufactures optical and electro-optical systems as well as electronic components, including: missile and satellite tracking systems; aerial cameras, astronomical telescopes and systems; precision measuring systems; optical data processing systems; physical measurement systems; sighting devices; photographic data assessment systems; optical subsystems; components and coatings; laser systems; A.C. potentiometers; conductive plastic potentiometers; and precision electro-mechanical switches. The Data Systems Group manufactures minicomputers and software packages and packaged systems; tape, disc and floppy drives; controllers and formatters; printer terminals. Also manufactures automatic flight control systems, instrument checkout equipment, inertial navigation systems, airborne computers and missile systems, and flame spray equipment and supplies.

Divisions and Subsidiaries:

Instrument Group
Laboratory analytical instruments, high vacuum equipment, digital products.

Instrument Division
Norwalk, Connecticut

Instrument Group Marketing Division
Norwalk, Connecticut

Coleman Instruments Division
Oak Brook, Illinois

Plasma Products Division
Mountain View, California

Surface Sciences Division
Physicial Electronics Division

Optical Group
Precise optics and electro-optical systems.

Electro-Optical Division
Wilton, Connecticut

Optical Technology Division
Danbury, Connecticut

Applied Optics Division
Costa Mesa, California

Aerospace Division
Pomona, California

Data Systems Group
Manufactures and markets small and medium-scale computers, software and packaged systems; tapes, disc and floppy disc drives; printers and CTR terminals.

Interdata Division
Oceanport, New Jersey

Wangco Division
Los Angeles and Tustin, California

Terminals Division
Randolph, New Jersey

METCO, Inc.
Westbury, New York
Manufactures flame spraying equipment and materials.

Perkin-Elmer Carribbean Corp.
Mayaguez, Puerto Rico

Perkin-Elmer Limited
Beaconsfield, Bucks, England
Llantrisant, Wales

Bodenseewerk Geraetetechnik G.m.b.H.
Ueberlingen/Bodensee, West Germany

Bodenseewerk Perkin-Elmer & Co., G.m.b.H.

Perkins-Elmer, G.m.b.H.
Vienna, Austria

METCO Vertrieb G.m.b.H.
Vienna, Austria

Perkin-Elmer Industria E. Comercio Limitada
Sao Paulo and Rio de Janeiro, Brazil

METCO Iberica, S.A.
Madrid, Spain

METCO Belgium N.V.
Antwerp, Belgium

Perkins-Elmer (Canada) Limited
Calgary, Montreal, Ottawa, Toronto & Vancouver, Canada

METCO Canada Ltd.
Rexdale, Ontario, Canada

Perkin-Elmer AB
Copenhagen, Denmark

Perkin-Elmer OY
Helsinki, Finland

Perkin-Elmer France S.A.
Lyon Nancy, Paris & Toulouse, France

METCO France S.A.
Argenteuil, France

Perkin-Elmer Nederland, B.V.
Delft, The Netherlands

METCO Nederland B.V.
Breda, The Netherlands

Perkin-Elmer Italiana S.p.A.
Milan, Padua & Rome, Italy

METCO Italia S.p.A.
Milan, Italy

Perkin-Elmer de Mexico, S.A.
Naucalpan de Juarez, Mexico

Perkin-Elmer AB
Oslo, Norway

The Perkin-Elmer Corporation (South Africa)
(Pty.) Limited
Alberton, Bellville & Durban, South Africa

Perkin-Elmer Hispania S.A.
Barcelona, Madrid & Seville, Spain

Perkin-Elmer AB
Goeteborg & Stockholm, Sweden

METCO Scandinavia A.B.
Stockholm Sweden

Perkin-Elmer AG
Zurich, Basel & Lausanne, Switzerland

METCO Limited
Chobham, Preston & Stratford-on-Avon
United Kingdom

METCO Vertrieb G.m.b.H.
Hattersheim (Main), West Germany

Perkin-Elmer International, Inc.
Delaware

Perkin-Elmer Export Corp.
Delaware

Interdata International, Inc.
Oceanport,New Jersey

Perkin-Elmer Data Systems, Ltd.
Canberra, Melbourne & Sydney, Australia

Interdata of Canada, Ltd.
Mississauga, Montreal & Ottawa, Canada

IDAT Computer Systems, Ltd.
Vancouver, British Columbia, Canada

Perkin-Elmer Data Systems, Ltd.
Uxbridge, Middlesex, United Kingdom

Interdata G.m.b.H.
Dusseldorf & Munich, Germany

Affiliates:

Daiichi METCO Co. Ltd.
Japan

Transfer Agent(s):

Citibank, N.A.
111 Wall Street
New York, New York 10043

Stock Exchange(s): New York, Pacific

Ticker Symbol: PKN

Number of Employees:

1980	15,290	1977	11,092
1979	13,708	1976	9,589
1978	12,279		

Plant Footage:

1980	2,803,000 sq. ft.	1977	2,803,000
1979	2,803,000	1976	2,332,000
1978	2,803,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 996,149,000	$ 68,245,000
1979	733,002,000	50,338,000
1978	581,445,000	34,733,000
1977	451,673,000	26,562,000
1976	369,225,000	21,005,000

	No. of Com. Shares †	Ear. per Share †
1980	20,480,000	$3.34
1979	19,911,000	2.53
1978	19,630,000	1.77
1977	19,479,000	1.37
1976	19,393,000	1.09

† Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	$	1980 (000's)	$	1979 (000's)
Instrument Group		293,300		238,800
Data Systems Group		214,700		168,300
Optical Group		303,900		199,300
METCO		100,300		79,600
Geraetetchnik		92,600		52,700
Inter Group		(8,700)		(5,700)
Total	$	996,100	$	733,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.67	—	—
1979	0.49	—	—
1978	0.38	—	—
1977	0.315	—	—
1976	0.295	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 381,090,000	$18.61
1979	282,184,000	14.17
1978	237,923,000	12.12
1977	208,801,000	10.72
1976	186,085,000	9.60

‡ Based on the average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended July 31		1980		1979
Net sales	$	996,149	$	733,002
Cost of sales		568,767		411,363
Expenses		296,776		224,286
Interest expense		12,451		7,315
Other income		(4,963)		(3,199)
Income before taxes	$	123,118	$	93,237
Income taxes		54,873		42,899
Net Income	$	68,245	$	50,338

* Included in Costs and Expenses, Depreciation and Amortization: $18,394,000 in 1980 and $13,929,000 in 1979.

Assets
(000's)

As of July 31		1980		1979
Cash	$	39,833	$	17,156
Marketable securities		54,500		11,005
Accts. receiv., net		214,493		181,254
* Inventories		248,870		198,138
Prepaid expenses & other assets		19,204		16,095
Current Assets	$	576,900	$	423,648
Marketable securities & time deposits		14,000		15,000
# Fixed assets		135,112		102,277
Other assets		15,210		15,745
Total Assets	$	741,222	$	556,670

Liabilities
(000's)

Loans payable	$	16,762	$	39,650
Accts. payable		79,021		57,710
Accruals		44,304		29,394
Accrued payroll		45,974		33,193
Income taxes		27,851		24,018
Curr. Liabilities	$	213,912	$	183,965
Long-term debt		105,762		55,278
Other liabilities		36,573		32,459
Minority interest		3,885		2,784
+ Common stock		20,953		19,654
Add. paid-in caital		84,530		41,719
Retained earnings		275,607		220,811
Total Liabilities & Shareholders' Equity	$	741,222	$	556,670

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.36	12.72
%Net Income to Sales	6.85	6.87
%Net Income to Equity	17.91	17.84
Sales to Inventories	4.00	3.70
Working Capital	$ 362,988,000	$ 239,683,000
Current Ratio	2.70	2.30
Shareholders' Equity	$ 381,090,000	$ 282,184,000

Photon Sources, Inc.

12163 Globe Road
Livonia, Michigan 48150
(313) 591-0101

Officers: William A. Penner, chairman of the board; Richard P. Scherer, president & chief executive officer; William A. Dager, vice president; Mark W. Griffin, secretary; Herman DeMarco, director of manufacturing; John S. Eckersley, director-sales and marketing; Carl A. Frederick, Jr., national sales manager; Ronald W. Kaiser, controller; John Lewko, chief engineer; Dr. Michael Yessik, director-research and development.

Directors: William A. Penner, chairman; David R. Miller, William G. Frederick, Jr., Mark W. Griffin, Alan E. Hill, Turner G. Brashear, Richard P. Scherer.

Areas of Work: Engaged in the development and production of industrial carbon dioxide lasers and laser machining systems centers.

Transfer Agent(s):

Manufacturers National Bank of Detroit
Detroit, Michigan

Stock Exchange(s): Over-the-Counter

Plant Footage:

1980	70,000 sq. ft.	1977	22,500
1979	55,000	1976	22,500
1978	36,500		

Sales and Earnings

	Net Sales	Net Income
1980	$ 5,626,000	$ (642,168)
1979	6,275,000	385,148
1978	4,557,000	215,423
1977 *	2,610,000	122,273
1976	2,428,000	234,083

	No. of Com. Shares ‡	Earn. per Share ‡
1980	601,949	$ —
1979	542,558	0.71
1978	516,008	0.42
1977	502,217	0.24
1976	501,229	0.47

* 9 months.
(Loss)
‡ Based on the weighted average number of common shares and common share equivalents outstandings.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 2,287,566	$3.80
1979	2,929,734	5.40
1978	1,260,586	2.44
1977	1,028,288	2.05
1976	875,757	1.75

‡ Based on the weighted number of common shares and common share equivalents outstanding.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 5,626,480	$ 6,275,307
Cost of sales	3,066,643	3,708,958
Expenses	3,150,769	1,853,695
Interest expense	536,330	186,000
Income (loss) before taxes	$ (1,127,262)	$ 526,654
Income taxes (credit)	(485,094)	141,506
Net Income	$ (642,168)	$ 385,148

* Included in Costs and Expenses, Depreciation and Amortization: $139,805 in 1980 and $93,261 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 847,609	$ 108,350
Receivables, net	1,130,312	2,171,703
Inc. tax refund.	514,409	—
* Inventories	2,228,496	2,890,759
Advances	52,695	35,834
Prepaid expenses	96,235	90,019
Current Assets	$ 4,869,756	$ 5,296,665
# Fixed assets	2,284,709	695,865
Other assets	147,772	114,805
Total Assets	$ 7,302,237	$ 6,107,335

Liabilities

Notes payable	$ 300,000	$ —
Long-term debt, curr.	631,816	300,000
Land contract pay.	1,036,971	—
Accts. payable	429,982	672,895
Accrued prop. & other taxes	102,203	118,826
Accrued payroll	69,268	155,592
Accrued interest	86,621	50,435
Other accruals	125,988	69,829
Curr. Liabilities	$ 2,782,849	$ 1,367,577
Long-term debt	2,231,822	1,800,000
Deferred inc. taxes	—	10,024
+ Common stock	601,949	601,949
Add. paid-in capital	1,391,557	1,391,557
Retained earnings	294,060	936,228
Total Liabilities & Shareholders' Equity	$ 7,302,237	$ 6,107,335

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	—	8.39
%Net Income to Sales	—	6.14
%Net Income to Equity	—	13.15
Sales to Inventories	2.52	2.17
Working Capital	$ 2,086,907	$ 3,929,088
Current Ratio	1.75	3.87
Shareholders' Equity	$ 2,287,566	$ 2,929,734

Pioneer-Standard Electronics, Inc.

4800 East 131st Street
Cleveland, Ohio 44105
(216) 587-3600

Officers: Hyde E. Ruble, chairman of the board; Preston Heller, Jr., president & chief executive officer; James G. Stanforth, financial vice president & treasurer; John S. Zarka, secretary.

Directors: Hyde E. Ruble, chairman; Preston Heller, Jr., James G. Stanforth, Lyndon Francis, Victor Gelb, David S. Meyers, William G. Piwonka, Edwin Z. Singer, Bruce Tucker, John S. Zarka.

Areas of Work: Distributes industrial and consumer electronic components. Also operates laboratories for the manufacture, modification and repair of electronic meters and instruments.

Divisions:

Pioneer/Cleveland Division
4800 E. 131st Street
Cleveland, Ohio 44105
(216) 587-3600

Distributes industrial-type electronic components to manufacturers, research laboratories, schools, governmental agencies, and other users.

Pioneer/Dayton Division
4433 Interpoint Boulevard
Dayton, Ohio 45424
(513) 236-9900

Distributes industrial-type electronic components to manufacturers, research laboratories, schools, governmental agencies, and other users.

Pioneer/Instrumentation Division
4800 East 131st Street
Cleveland, Ohio 44105
(216) 587-3600

Operates laboratories for the manufacture, modification, and repair of electronic meters and instruments. The manufactured products include Magsense lies of solid state sensing devices and the "Peaklok," a peak-reading voltmeter.

Srepco Division
314 Leo Street
Dayton, Ohio 45404
(513) 224-0871

Distributes consumer-type electronic components and units to radio-television repairmen and dealers. Based in Dayton, Ohio and operates braches in nine other Ohio cities.

Affiliates:

Pioneer/Washington Electronics, Inc.
(50% owned)
9100 Gaither Road
Gaithersburg, Maryland 20760
(301) 948-0710

Distributes industrial-type electronic components to manufacturers, research laboratories, schools, governmental agencies, and other users.

Transfer Agent(s):

Winters National Bank and Trust Company
Winters Bank Tower
Dayton, Ohio 45401

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PIOS (NASDAQ)

Number of Employees:

1981	650	1978	490
1980	650	1977	450
1979	500		

Plant Footage:

1981	320,000 sq. ft.	1978	230,000
1980	320,000	1977	228,000
1979	240,000		

Sales and Earnings

	Net Sales	Net Income
1981	$ 94,715,123	$ 3,620,523
1980	87,541,159	3,945,767
1979	66,731,400	2,817,890
1978	52,264,659	2,331,008
1977	46,290,436	1,845,660

	No. of Com. Shares #	Earn. per Share #
1981	2,649,106	$1.37
1980	2,632,740	1.50
1979	2,613,885	1.08
1978	2,596,622	0.90
1977	2,592,357	0.71

# Based on average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend #	Stock Dividend	Stock Split
1981	$0.160	—	—
1980	0.133	—	3-for-2
1979	0.107	—	3-for-2
1978	0.089	—	—
1977	0.065	—	3-for-2

# Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share #
1981	$ 22,540,411	$8.47
1980	19,192,314	7.28
1979	15,544,935	5.94
1978	12,967,731	4.99
1977	10,837,671	4.18

# Based on average number of shares outstanding adjusted for stock splits.

Income Account *

Year ended March 31	1981	1980
Net sales	$ 94,715,123	$ 87,541,159
Cost of sales	69,980,926	64,647,650
Expenses	18,291,720	15,938,670
Oper. profit	$ 6,442,477	$ 6,954,839
Other income	40,472	37,133
Minority interest	743,232	695,733
Total	$ 7,226,181	$ 6,594,839
Interest expense	1,105,658	741,938
Income before taxes	$ 6,120,523	$ 6,945,767
Income taxes	2,500,000	3,000,000
Net Income	$ 3,620,523	$ 3,945,767

* Included in Costs and Expenses, Depreciation and Amortization: $382,722 in 1981 and $269,659 in 1980.

Assets

As of March 31	1981	1980
Cash	$ 278,445	$ 394,422
Accts. receiv. net	12,816,306	11,097,273
*Inventories	20,373,538	19,015,870
Prepaid expenses	131,150	139,739
Current Assets	$ 33,599,439	$ 30,647,304
Investments & other assets	3,508,398	3,929,952
# Fixed assets	4,939,463	3,143,173
Total Assets	$ 42,047,300	$ 37,720,429

Liabilities

Note payable	$ 2,500,000	$ 500,000
Long-term debt, curr.	129,482	127,222
Accts. payable	6,627,111	7,439,906
Accruals	780,307	841,171
Accrued payroll	849,025	842,350
Income taxes	1,252,528	1,279,864
Curr. Liabilities	$ 12,138,453	$ 11,030,513
Long-term debt	7,368,436	7,497,602
+ Common stock	5,325,128	5,272,416
Add. paid-in capital	1,118,239	1,019,718
Retained earnings	16,097,044	12,900,180

Total Liabilities & Shareholders' Equity	$ 42,047,300	$ 37,720,429

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value; $2 stated value.

Statistical Summary

%Income bef. Taxes to Sales	6.46	7.93
%Net Income to Sales	3.82	4.51
%Net Income to Equity	16.06	20.56
Sales to Inventories	4.65	4.60
Working Capital	$ 21,460,986	$ 19,616,791
Current Ratio	2.77	2.78
Shareholders' Equity	$ 22,540,411	$ 19,192,314

Pitney-Bowes, Inc.

Walter H. Wheeler, Jr. Drive
Stamford, Connecticut 06926
(203) 356-5000

Officers: Fred T. Allen, chairman of the board & president; James L. Bast, sr. v.p.-finance & administration & controller; Edward M. Harris, Jr., v.p.-secretary & general counsel; Thomas B. Loemker, v.p.-pres. Pitney-Bowes Retail Systems & Supplies; Thomas F. McGarry, v.p.-corp. communications; William B. Wenning, Jr., v.p.-corp development; Allan A. Crystal, v.p. & treasurer; George B. Harvey, pres.-Pitney Bowes Business Systems; Robert C. Rugen, v.p.-employee relations; Hobart C. Kreitler, pres., Dictaphone Corporation; David B. O'Hearne, asst. secretary & asst. general counsel.

Directors: Fred T. Allen, chairman; Colin G. Campbell, Samuel A. Casey, Donald W. Davis, John C. Emery, Jr., John P. Howland, John E. Kohnle, Hobart C. Kreitler, John O. Nicklis, Emil J. Pattberg, Jr., Frederick C. Smith, Julia M. Walsh, Kendrick R. Wilson, Jr.

Areas of Work: Manufactures, markets, and services equipment and supplies in two segments: business systems and retail systems. Business systems include: postage meters, parcel registers, mailing machines, mail scales, mail openers, mailroom furniture, folders and inserters, collators, sorters, address printers, embossers, counters and imprinters, cigarette tax-stamping meters and machines, post office facing and canceling machines, and copiers and copier supplies. Retail systems include: price-making equipment, systems for the automatic encoding and recording of merchandise for inventory and sales recording purposes, and merchandise tags and labels.

Divisions and Subsidiaries:

Monarch Marking Systems, Inc.
Dayton, Ohio

Monarch Marking System, Ltd.
Canada

Monarch Marking System de Mexico, S.A. de C.V.
Mexico

Monarch Marking Systems Australia Pty., Ltd.
Australia

Pitney Bowes Credit Corporation
Darien, Connecticut

Artec Division
Mountain View, California

Pitney Bowes Marking Systems Ltd.
United Kingdom

PB Leasing Ltd.
United Kingdom

Pitney Bowes Business System
Stamford, Connecticut

Pitney Bowes of Canada, Ltd.

Pitney Bowes Maquinas Ltda.
Brazil

Pitney Bowes Austria Ges. m.b.H.

Pitney Bowes Belgium S.A.

Pitney Bowes Oy,
Finland

Pitney Bowes France S.A.

Pitney Bowes Germany GmbH

Pitney Bowes Sweden, A.B.

Pitney Bowes Switzerland AG

Pitney Bowes Ltd.
United Kingdom

Dictaphone Corporation
120 Old Post Road
Rye, New York 10580

Manufactures, markets and distributes dictating machines, and business forms and supplies. Also provides temporary office service and is involved in the field of telephone answering services. Develops and markets multitrack recording and reproducing equipment for public communication, broadcasting and professional recording applications, as well as gas detecting systems.

Dictaphone Company, Limited, U.K.

Dictaphone Canada, Ltd.

Dictaphone International AG
Switzerland

Stafifor Data Products, B.V.
The Netherlands

Data Documents, Inc.

Grayarc Company, Inc.

Transfer Agent(s):

he Chase Manhattan Bank, N.A.
One New York Plaza
New York, New York 10081

Union Trust Company
300 Main Street
Stamford, Connecticut 06904

Stock Exchange(s): New York

Ticker Symbol: PBI

Number of Employees:

1980	26,969	1978	19,719
1979	25,182	1977	18,649

Sales and Earnings

	Revenues	Net Income
1980	$1,257,294,000	$ 75,136,000
1979	1,024,949,000	63,494,000
1978	711,284,000	45,402,000
1977	605,973,000	37,928,000
1976	539,169,000	20,855,000

	No. of Com. Shares #	Earn. per Share #
1980	17,445,565	$4.31
1979	15,772,863	4.02
1978	13,526,380	3.32
1977	13,378,184	2.80
1976	13,223,351	1.55

# Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

Business systems:		
Mailing equip.	$660,600,000	$585,439,000
Copier prods.	129,400,000	130,593,000
Dictating Systems	149,800,000	90,793,000
Retail Systems	143,800,000	125,241,000
Business supplies & services	173,700,000	92,883,000
Total	$1,257,300,000	$1,024,949,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.45	—	—
1979	1.25	—	—
1978	1.05	—	—
1977	0.85	—	—
1976	0.68	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share #
1980	$359,084,000	$20.58
1979	280.03,000	17.75
1978	231,551,000	17.12
1977	196,178,000	14.66

‡ After allowing for preferred stock at stated value.
# Based on the weighted average number of shares outstanding.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 868,241	$ 695,782
Rentals	229,294	202,225
Service	159,759	126,942
Revenues	$ 1,257,294	$ 1,024,949
Cost of sales & rentals	463,835	361,893
Expenses	658,638	536,338
Interest expense	18,592	14,982
Interest income	(7,164)	(5,434)
Income before taxes	$ 123,393	$ 117,170
Income taxes	56,435	54,635
Minority interest	(8,178)	(959)
Net Income	$ 75,136	$ 63,494

* Included in Costs and Expenses, Depreciation and Amortization: $59,763,000 in 1980 and $47,449,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 19,130	$ 23,594
Marketable securities	39,185	60,156
Accts. receiv., net	204,137	179,970
Receivables, net	20,596	23,015
* Inventories	297,958	206,659
Other curr. assets	10,109	10,327
Current Assets	$ 591,115	$ 503,721
# Fixed assets	177,028	145,608
Rental equip.	140,738	127,230
Prop. leased under cap. leases	29,578	26,364
Equity in & advances to subsid.	55,106	32,221
Other assets	20,069	7,195
Goodwill	80,767	59,926
Total Assets	$ 1,094,402	$ 902,265

Liabilities
(000's)

Notes payable & long-term debt, curr.	$ 81,152	$ 20,620
Accts. payable & accruals	174,476	157,994
Advance billings	126,683	109,664
Income taxes	32,981	34,604
Curr. Liabilities	$ 415,292	$ 322,882
Long-term debt	99,880	117,673
Cap. lease oblig.	45,895	36,555
Deferred inc. taxes	95,111	68,111
+ Preferred stock	2,908	5,442
+ + Preference stock	76,232	71,563
+ + + Common stock	29,675	27,712
Add. paid-in capital	80,109	51,378
Retained earnings	249,300	200,952

Total Liabilities & Shareholders' Equity	$ 1,094,402	$ 902,265

* At lower of cost or market. Cost is determined by the LIFO method in 1980 and FIFO in prior years.
# Less accumulated depreciation.
+ $50 par value.
+ + No par value, $2.12 convertible.
+ + + $2 par value.

Statistical Summary

%Income bef. Taxes to Revenues	9.81	11.43
%Net Income to Revenues	5.98	6.19
%Net Income to Equity	17.15	17.78
Working Capital	$175,823,000	$180,839,000
Current Ratio	1.42	1.56
Shareholders' Equity	$438,224,000	$357,044,000

Plantronics, Inc.

1762 Technology Drive
Suite 225
San Jose, California 95110
(408) 998-8388

Officers: William L. Martin, president & chief exec. officer; David G. Campbell, v.p.-finance & secretary-treasurer; John Tymoczko, v.p.-strategic planning; Bob Bernardi, v.p. & pres.-Santa Cruz Div.; David R. Bartlett, v.p.-personnel; John A. McGuire, v.p.-marketing; Herbert W. Funk, v.p.; Charles C. Pai, controller.

Directors: George M. Dean, Alan B. Simpkins, Trude C. Taylor, R. Parker Sullivan, Robert T. Davis, Weldon B. Gibson, Stanley F. Damkroger, William H. Draper, III, Clifford A. Warren, William L. Martin.

Areas of Work: Manufactures lightweight telecommunications headsets, computer controlled data switching systems, telephone transmission products, visual data terminals and data communications products.

Subsidiaries:

Frederick Elctronics Corporation
P.O. Box 502
Hayward Road
Frederick, Maryland 21701
(301) 662-5901
Produces solid data switching systems and data communications equipment.

Kentrox Industries, Inc.
14335 N.W. Science Park Drive
Portland, Oregon 97229
(503) 643-1681
Develops and manufactures telephone signal conditioning equipment

Action Communication Systems, Inc.
4401 Beltwood Parkway South
Dallas, Texas 75234
(214) 386-3500
Manufacturer of telecommunications equipment.

Zehntel, Inc.
2625 Shadelands Drive
Walnut Creek, California 94598
(415) 932-6900
Manufacturer of automated test equipment.

Plantronics/Santa Cruz
345 Encinal Street
Santa Cruz, California 95060
(408) 426-5858

Plantronics Research Corporation
16611 Roscoe Place
Sepulveda, California 91343
(213) 891-1851

Wilcom Products, Inc.
P.O. Box 508
Laconia, New Hampshire 03246
(603) 524-2622
Telephone test and measurement equipment.

Transfer Agent(s):

United California Bank
405 Montgomery Street
San Francisco, California 94104

Stock Exchange(s): New York, Pacific

Ticker Symbol: PLX

Number of Employees:

1980	1,977	1977	1,255
1979	1,906	1976	841
1978	1,290		

Sales and Earnings

	Net Sales	Net Income
1980	$ 97,988,000	$ 8,010,000
1979*	86,579,000	8,731,000
1978	69,311,000	7,895,000
1977	57,735,000	6,020,000
1976	39,814,000	4,606,000

	No. of Com. Shares #	Earn. per Share #
1980	6,373,000	$1.26
1979	6,296,000	1.39
1978	6,171,000	1.28
1977	6,124,000	0.98
1976	5,988,000	0.77

* 53 weeks.
# Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1980	$0.16	—	—
1979	0.13	—	—
1978	0.10	—	—
1977	0.07	—	2-for-1
1976	0.575	—	2-for-1

† Restated to reflect stock splits

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 54,003,000	$8.49
1979	45,612,000	7.41
1978	35,358,000	5.99
1977	27,356,000	4.70
1976	21,198,000	3.70

† Adjusted to reflect stock splits.

Income Account *

Year ended	5/31/80	6/2/79 (53 weeks)
Net sales	$ 97,988,000	$ 86,579,000
Cost of sales	51,805,000	43,271,000
Expenses	30,631,000	26,420,000
Interest expense (income)	324,000	(169,000)
Income before taxes	$ 15,228,000	$ 17,057,000
Income taxes	7,218,000	8,326,000
Net Income	$ 8,010,000	$ 8,731,000

* Included in Costs and Expenses, Depreciation and Amortization $2,439,000 in 1980 and $1,546,000 in 1979.

Assets

As of	5/31/80	6/2/79
Cash	$ 1,109,000	$ 568,000
Marketable securities	4,392,000	3,533,000
Accts. receiv., net	21,744,00	17,319,000
* Inventories	28,629,00	22,796,000
Prepaid expenses	2,189,000	1,373,000
Current Assets	$ 58,063,000	$ 45,589,000
# Fixed assets	22,485,000	17,110,000
Notes receiv. & other assets	4,214,000	1,331,000
Total Assets	$ 84,762,000	$ 64,030,000

Liabilities

Accts. payable	$ 5,262,000	$ 2,620,000
Long-term debt, curr.	418,000	318,000
Accruals	2,298,000	1,580,000
Accrued payroll	5,029,000	4,119,000
Customer deposits	1,862,000	1,812,000
Income taxes	1,217,000	262,000
Curr. Liabilities	$ 16,086,000	$ 10,711,000
Long-term debt	12,277,000	6,329,000
Deferred inc. taxes	2,396,000	1,378,000
+ Common stock	8,234,000	6,849,000
Retained earnings	45,769,000	38,763,000
Total Liabilities & Shareholders' Equity	$ 84,762,000	$ 64,030,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	15.54	19.70
%Net Income to Sales	8.17	10.08
%Net Income to Equity	14.83	19.14
Sales to Inventories	3.42	3.80
Working Capital	$ 41,977,000	$ 34,878,000
Current Ratio	3.61	4.26
Shareholders' Equity	$ 54,003,000	$ 45,612,000

Platronics, Inc.

301 Commerce Road
Linden, New Jersey 07036
(201) 862-3600

Officers: Milton Fisher, chairman of the board & v.p.-finance; John R. Palumbo, Sr., president: John R. Palumbo, Jr., v.p.-operations & secretary; Anthony J. Palumbo, III, v.p.-administration & treasurer; Milton H. Stern, asst. secretary.

Directors: John R. Palumbo, Sr., John R. Palumbo, Jr., Gregory S. Cori, Milton H. Stern,Milton Fisher.

Areas of Work: Engaged in precious metals plating for the electronics industry.

Transfer Agent(s):

First Jersey National Bank
Exchange Place
Jersey City, New Jersey 07302

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income
1980	$ 11,604,179	$ 391,506
1979	7,326,659	291,361
1978	5,101,686	180,560
1977	3,715,167	(270,545)
1976	4,261,940	(104,099)

	No. of Com. Shares ‡	Earn. per Share ‡
1980	491,157	$0.80
1979	548,027	0.53
1978	548,397	0.33
1977	548,898	—
1976	558,411	—

(Loss)
‡ Based on the weighted average number of shares outstanding.

Platronics, Inc.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 2,110,699	$4.30
1979	1,741,943	3.18
1978	1,540,582	2.81
1977	1,360,022	2.48
1976	1,639,713	2.94

‡ Based on the weighted average number of shares outstanding.

Income Account

Year ended Sept. 30	1980	1979
Net sales	$ 11,604,179	$ 7,326,659
Cost of sales	9,898,984	6,177,299
Expenses	692,500	448,739
Depreciation & amortization	183,595	144,575
Interest expense	41,946	36,843
Loss (gain) on disposal of equip.	8,811	(18,459)
Income bef. taxes	$ 778,343	$ 537,662
Income taxes	386,837	246,301
Net Income	$ 391,506	$ 291,361

Assets

As of Sept. 30	1980	1979
Cash	$ 169,733	$ 210,625
Receivables, net	1,542,521	1,118,378
* Inventories	660,270	363,872
Prepaid expenses	9,386	9,092
Current Assets	$ 2,381,910	$ 1,701,967
# Fixed assets	732,910	661,252
Other assets	165,580	159,463
Total Assets	$ 3,280,400	$ 2,522,682

Liabilities

	1980	1979
Long-term debt, curr.	$ 105,909	$ 104,356
Accts. payable	552,068	188,552
Accruals	306,699	178,628
Curr. Liabilities	$ 964,676	$ 471,536
Long-term debt	205,025	309,203
+ Common stock	54,840	54,840
Add. paid-in capital	6,156	6,156
Retained earnings	2,162,453	1,770,947
Treasury stock	(112,750)	(90,000)
Total Liabilities & Shareholders' Equity	$ 3,280,400	$ 2,522,682

* At cost (FIFO) or market, whichever is lower.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

	1980	1979
%Income before Taxes to Sales	6.71	7.34
%Net Income to Sales	3.37	3.98
%Net Income to Equity	18.55	16.73
Sales to Inventories	17.57	20.14
Working Capital	$ 1,417,234	$ 1,230,431
Current Ratio	2.47	3.61
Shareholders' Equity	$ 2,110,699	$ 1,741,943

Pneumo Corporation

4800 Prudential Tower
Boston, Massachusetts 02199
(617) 262-9300

Officers: Gerard A. Fulham, chairman of the board and chief executive officer; James A. Wood, president; C.L. Pecchenino, exec. v.p.-finance & chief financial officer; Gerald G. Auerbach, v.p.-Aerospace & Industrial Operations; Irwin A. Schwartz, v.p.-Food Operations; Lloyd E. Brumley, v.p. & controller; Robert T. Hicks, v.p. & treasurer; Joseph R. McCabe, v.p.-employee relations; David W. Day, v.p.-corporate planning & services; William J. Vesely, v.p., general counsel & secretary.

Directors: John L. Arnold*, Gerard A. Fulham*, Richard G. Maloney, Owen F. Walker*, James A. Wood*, Wendell G. Earle, Secor D. Browne, Harold S. Geneen, John C. Harding, III.

*Member of Executive Committee.

Areas of Work: The company designs and manufactures hydraulic, pneumatic, mechanical, electro-mechanical and electronic precision systems and components for aerospace, ordnance, marine and industrial uses. Owns and operates a chain of supermarkets and franchise stores in New York State, Massachusetts, Vermont and New Hampshire; conducts a wholesale food business.

Divisions and Subsidiaries:

National Water Lift Division
2220 Palmer Avenue
Kalamazoo, Michigan 49001
(616) 345-8641
Designs and manufactures hydraulic, pneumatic, mechanical and electro-mechanical primary flight control systems for aircraft and missles and jet engine controls.

Claud S. Gordon Company
5710 Kenosha Street
Richmond, Illinois 60071
(815) 678-2211
Manufactures and distributes thermo-electric heat-sensing elements, thermocouple instruments, extension wire and accessories; resistance temperature detection sensors.

Cleveland Pneumatic Company
3781 East 77th Street
Cleveland, Ohio 44105
(216) 341-1700
Manufactures aircraft landing gears; functional and structural components for aerospace, missile, and marine applications.

P & C Food Markets, Inc.
P.O. Box 4965
Syracuse, New York 13221
(315) 457-9460
Owns and operates 91 P & C Supermarkets in New York State, Vermont, New Hampshire and Massachusetts, services a chain of 60 franchise supermarkets in New York and oprates a wholesale food service in independent stores, restaurants and institutions in more than 100 New York State communities. Two distribution centers, one located in Syracuse, another at White River Junction, Vermont, service company-owned markets.

Carls Drug Company, Inc.
Success Drive
R.F.D. # 6, Box 203
Rome, New York 13440

Acquisitions:

Carls Drug, Inc. (March 1980)
Operates a chain of 34 promotional drug stores located in central New York.

Transfer Agent(s):

AmeriTrust Company
900 Euclid Avenue
Cleveland, Ohio 44101

Morgan Guaranty Trust Company
9 West 57th Street
New York, New York 10019

Stock Exchange(s): New York

Ticker Symbol: PNC

Number of Employees:

1980	9,235	1977	6,432
1979	8,103	1976	5,698
1978	6,949		

Plant Footage:

1980	1,878,683 sq. ft.	1977	1,587,883
1979	1,878,683	1976	1,587,883
1978	1,587,883		

Sales and Earnings

	Net Sales †	Net Income
1980	$983,777,000	$ 13,532,000
1979	771,946,000	10,035,000
1978	612,705,000	6,599,000
1977	558,502,000	9,069,000
1976	480,953,000	8,643,000

	No. of Com. Shares +	Earn. per Share #
1980	4,646,770	$2.90
1979	4,351,652	2.22
1978	4,293,893	1.50
1977	4,021,886	2.18
1976	3,370,173	2.35

† Of continuing operations only; includes other income.
+ Adjusted to reflect stock split.
# Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1980	1979
Food/drug	$ 683,563	$ 558,579
Aerospace/defense	284,546	199,288
Industrial products	15,668	14,079
Total	$ 983,777	$ 771,946

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.70	—	3-for-2
1979	0.67	—	—
1978	0.67	—	—
1977	0.67	—	—
1976	0.60	—	—

+ Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 88,596,000	$19.07
1979	74,376,000‡	17.09
1978	66,417,000‡	15.47
1977	57,939,000‡	14.41

† Adjusted to reflect stock split.
‡ After allowing for preferred stock $1 Series A and $4 Series B at redemption values of $25 and $100 per share respectively.

Income Account *
(000's)

Year ended Nov. 30	1980	1979
Net sales	$ 983,777	$ 771,946
Cost of sales	794,191	627,519
Expenses	152,323	119,978
Interest expense	14,141	9,056
Income before taxes	$ 23,122	$ 15,393
Income taxes	9,590	6,150
Income from cont. oper.	$ 13,532	$ 9,243
Income from discont. oper.	—	792
Net Income	$ 13,532	$ 10,035

* Included in Costs and Expenses, Depreciation and Amortization: $11,096,000 in 1980 and $8,564,000 in 1979.

Assets
(000's)

As of Nov. 30	1980	1979
Cash	$ 11,063	$ 11,882
Short-term invest.	3,000	6,000
Accts. receiv., net	62,861	36,342
* Inventories	153,904	120,600
Prepaid expenses	1,846	1,381
Current Assets	$ 232,674	$ 176,205
# Fixed assets	103,968	83,259
Other assets	11,413	9,263
Total Assets	$ 348,055	$ 268,727

Liabilities
(000's)

Notes payable	$ 21,752	$ 4,052
Long-term debt, curr.	5,454	4,851
Accts. payable	53,254	49,943
Accruals	39,177	23,710
Income taxes	138	5,252
Deferred inc. taxes	12,704	2,377
Curr. Liabilities	$ 132,479	$ 90,185
Long-term debt	89,097	70,871
Cap. lease oblig.	24,681	20,756
Deferred inc. taxes	10,535	7,463
Other liabilities	2,667	2,266
+ Preferred stock:		
Series A $1 Cum. conv.	—	228
Series B $4 Cum. conv.	—	2,582
+ + Common stock	4,687	2,928
Add. paid-in capital	17,972	15,787
Retained earnings	66,136	55,860
Treasury stock	(199)	(199)
Total Liabilities & Shareholders' Equity	$ 348,055	$ 268,727

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ No par value.
+ + $1 par value.

Statistical Summary

%Net Income to Equity	15.27	13.00
Sales to Inventories	6.39	6.40
Working Capital	$ 100,195,000	$ 86,020,000
Current Ratio	1.76	1.95
Shareholders' Equity	$ 88,596,000	$ 77,186,000

Porta Systems Corp.

6901 Jericho Turnpike
Syosset, New York 11791
(516) 364-9300

Officers: Paul V. DeLuca, chairman of the board; Vincent F. Santulli, president; William V. Carney, sr. v.p.-operations & secretary; Ronald G. Caravello, sr. v.p.-sales staff; Michael A. Tancredi, v.p. & treasurer; Thomas Hollfelder, v.p.-sales/marketing; John Gezzo, v.p.-enginering; Joseph N. Morra, controller.

Directors: Paul V. DeLuca, chairman; Vincent F. Santulli, William V. Carne, Ronald G. Caravey, Ronald G. Caravello, Michael A. Tancredi, Paul Kelly, Thomas Connors.

Areas of Work: Designs and manufacturers equipment for the telephone industry. Products include cutover products which transfer telephone service from one system to a more modern, gererally electronic system; connector blocks connect outside lines to central office telephone equipment; cable pair verifiers test groups of lines; private line testers and line condition report systems for automatic reading and reporting of electric and gas home meters.

Transfer Agent(s):
Registrar and Transfer Company
Cranford, New Jersey

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	384	1978	384
1979	384	1977	407

Plant Footage:

1980	102,000 sq. ft.	1978	102,000
1979	102,000	1977	102,000

Sales and Earnings

	Net Sales	Net Income
1980	$ 15,122,551	$ 605,791
1979	12,746,866	764,665
1978	15,082,505	1,747,078
1977	1,610,029	840,334
1976	6,010,734	278,615

	No. of Com. Shares #	Earn. per Share #
1980	894,722	$0.68
1979	890,092	0.86
1978	765,439	2.28
1977	625,870	1.34
1976	618,829	0.45

# Based on weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 11,796,999	$13.19
1979	11,175,708	12.56
1978	10,404,793	13.59
1977	2,320,712	3.71
1976	1,473,878	2.38

‡ Based on weighted number of common shares and common share equivalents outstanding.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 15,122,551	$ 12,746,866
Cost of sales	9,246,365	7,273,492
Expenses	5,572,090	5,645,467
Interest expense	13,136	27,611
Interest income	(184,118)	(186,869)
Income (loss) before taxes	$ 475,078	$ (12,835)
Income taxes (credit)	130,713	(777,500)
Net Income	$ 605,791	$ 764,665

* Included in Costs and Expenses, Depreciation and Amortization: $257,821 in 1980 and $306,858 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 1,560,729	$ 1,002,445
Investments	—	509,124
Accts. receiv., net	5,673,975	4,008,517
* Inventories	6,436,986	6,184,375
Prepaid expenses & other assets	67,625	60,564
Current Assets	$ 13,739,315	$ 11,765,025
# Fixed assets	1,522,702	1,363,011
Intangibles	35,397	20,697
Defer. charges	98,168	86,227
Total Assets	$ 15,395,582	$ 13,234,960

Liabilities

Mortg. payable	$ 38,707	$ 55,477
Accts. payable	1,670,298	762,857
Accruals	1,073,456	793,378
Cust. credits	596,911	234,578
Curr. Liabilities	$ 3,379,372	$ 1,846,290
Mortg. payable	15,070	38,821
Deferred inc. taxes	204,141	174,141
+ Common stock	8,993	8,876
Add. paid-in capital	7,167,130	7,151,547
Retained earnings	4,621,076	4,015,285
Treasury stock	(200)	—
Total Liabilities & Shareholders' Equity	$ 15,395,582	$ 13,234,960

* At lower of cost (FIFO) or market.
# Less accumulated depreciation & amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.14	—
%Net Income to Sales	4.01	6.00
%Net Income to Equity	5.14	6.84
Sales to Inventories	2.35	2.06
Working Capital	$ 10,359,943	$ 9,918,735
Current Ratio	4.07	6.37
Shareholders' Equity	$ 11,796,999	$ 11,175,708

Powell Industries, Inc.

P.O. Box 12818
8550 Mosley Drive
Houston, Texas 77017
(713) 944-6900

Officers: William E. Powell, chairman of the board, president, & chief executive officer; Robert H. Orr, v.p., secretary & treasurer; W.J. Kaczor, Jr., controller & asst. secretary-treasurer; Worthington W. Green, v.p.

Directors: William E. Powell, chairman; Robert H. Orr, Addison W. Langill, Worthington W. Green, Nathaniel H. Conder, Jesse R. Milam, Jr., Elbert D. Stewart.

Areas of Work: Designs, manufactures, and markets electrical power distribution and control systems, pre-packaged electrical and instrumentation control room buildings, patented and proprietary electronic and computerized process control products and systems and digital control valves.

Divisions and Subsidiaries:

Powell Electrical Manufacturing Company
P.O. Box 12818
8550 Mosley Drive
Houston, Texas 77017
(713) 944-6900

Process Systems, Inc.
Houston Operation
P.O. Box 12848
8540 Mosley Drive
Houston, Texas 77017
(713) 947-9470

Process Systems, Inc.
Costa Mesa Operation
225 Paularino Avenue
Costa Mesa, California 92626
(714) 556-4500

Powell Magnetics Industries, Inc.
P.O. Box 12848
8540 Mosley Drive
Houston, Texas 77017
(713) 947-9470

Process Investment Company
P.O. Box 12818
Houston, Texas 77017

Powell International Corporation
P.O. Box 12818
Houston, Texas 77017

Transfer Agent(s):
First International Bank of Houston
Trust Department
P.O. Box 2555
Houston, Texas 77001

Stock Exchange(s): Over-the-Counter

Ticker Symbol: POWL (NASDAQ)

Number of Employees:

1980	512	1978	477
1979	512		

Sales and Earnings

	Net Sales +	Net Income
1980	$ 45,810,465	$ 3,042,532
1979	37,280,834	1,737,733
1978	28,940,346	333,426
1977	25,807,815	1,758,298
1976	25,663,612	2,133,214

	No. of Com. Shares ‡	Earn. per Share ‡
1980	10,090,482	$0.30
1979	10,088,098	0.17
1978	10,075,244	0.03
1977	8,427,804	0.21
1976	7,938,575	0.27

+ Of continuing operations only.
‡ Based on the average number of shares outstanding.

Revenues By Line of Business

	1980	1979
Electronics distribution equipment	$ 37,419,450	$ 31,582,204
Process control indust.	8,391,015	5,698,630
Total	$ 45,810,465	$ 37,280,834

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 16,322,528	$1.62
1979	13,279,996	1.32
1978	11,530,263	1.14
1977	11,179,837	1.33
1976	7,150,843	0.90

‡ Based on the average number of shares outstanding.

Income Account

Year ended Oct. 31	1980	1979
Net sales	$ 45,810,465	$ 37,280,834
Cost of sales	31,183,884	26,996,577
Expenses	6,171,379	5,397,459
Depreciation & amortization	948,162	759,206
Interest expense	1,084,439	769,046
Income before taxes	$ 6,422,601	$ 3,358,546
Income taxes	3,013,000	1,474,200
Inc. from cont. oper.	$ 3,409,601	$ 1,884,346
Loss from discont. oper.	(367,069)	(146,613)
Net Income	$ 3,042,532	$ 1,737,733

Assets

As of Oct. 31	1980	1979
Cash & cash equiv.	$ 20,798	$ 390,531
Accts. receiv., net	11,579,541	7,612,752
* Inventories	12,901,301	9,894,443
Prepaid expenses	285,226	179,957
Assets held for sale	1,500,000	—
Current Assets	$ 26,286,866	$ 18,077,683
# Fixed assets	6,286,593	7,676,762
Other assets	1,337,749	1,838,130
Total Assets	$ 34,478,208	$ 27,592,575

Liabilities

	1980	1979
Notes payable	$ 6,650,000	$ 4,000,000
Long-term debt, curr.	627,427	535,900
Accts. payable	3,361,674	2,793,443
Accruals	1,064,837	1,159,854
Accrued payroll	1,753,584	1,379,200
Income taxes	2,275,381	1,760,709
Curr. Liabilities	$ 15,732,903	$ 11,629,106
Long-term debt	1,060,377	1,884,843
Deferred inc. taxes	696,900	31,130
Deferred comp.	665,500	767,500
+ Common stock	100,905	100,905
Add. paid-in capital	2,668,327	2,668,327
Retained earnings	13,553,296	10,510,764
Total Liabilities & Shareholders' Equity	$ 34,478,208	$ 27,592,575

*At lower of cost (FIFO) or market.
Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

	1980	1979
%Net Income to Equity	18.64	13.09
Sales to Inventories	3.55	3.77
Working Capital	$ 10,553,963	$ 6,448,577
Current Ratio	1.67	1.55
Shareholders' Equity	$ 16,322,528	$ 13,279,996

Pratt-Read Corporation

Ivoryton, Connecticut 06442
(203) 767-8282

Officers: Peter H. Comstock, chairman of the board & chief exec. officer; James H. Tucker, president; Charles A. Ruhe, secretary & treasurer; Gerald B. LeVasseur, controller.

Directors: Peter H. Comstock, chairman; James E. Chandler, James M. Carlisle, Stuart C. Hemingway, Jr., Robert E. McGill III, Arthur H. Nighswander, Henry Z. Steinway, Wilmot F. Wheeler, Jr., James H. Tucker.

Divisions and Subsidiaries:

The Bristol Saybrook Company
Old Saybrook Connnecticut 06475
(203) 388-3414

Synchronous motors for timing devices, such as chart drives, time recording equipment, humidifiers and ice makers; elapsed time, fixed interval, time delay and repeat cycle timers; programmers; coded signal receivers; corrective clock movements for master systems.

Allen-Rogers Corporation
Laconia, New Hampshire 03246
(603) 524-2060

Turned and shaped wood products for household appliances, toys and games, furniture, sporting goods, small tools brushes and utensils.

Altron, Inc.
Westerly, Rhode Island 02891
(401) 596-4309

Bobbin-wound and multiple-wound coils for motors, relays and solenoid valves; transformers and chokes for the communications field.

The Cornwall & Patterson Company
Bridgeport, Connecticut 06605
(203) 366-4911

Piano hardware for actions and cases; screwdriver blades, awls, chisels, tack pullers, power bits and wire forms; pins, paper fasteners and metal stampings.

Pratt, Read & Co.
Ivoryton, Connecticut 06442
(203) 767-8282

Piano keyboards and actions; plastic and metal keyboard assemblies, printed circuits and switching devices for electronic organs. Squares and dowels for turned wood products.

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016

Stock Exchange(s): American

Ticker Symbol: PRA

Number of Employees:

1980	1,305	1977	1,622
1979	1,515	1976	1,589
1978	1,542		

Plant Footage:

1980	715,000 sq.ft.	1977	715,000
1979	715,000	1976	715,000
1978	715,000		

Sales and Earnings

	Net Sales +	Net Income
1980	$ 36,732,000	$ 1,471,000
1979	38,161,000	1,275,000
1978	33,736,000	1,352,000
1977	33,348,000	1,776,000
1976	30,492,000	1,436,000

	No. of Com. Shares	Earn. per Share †
1980	1,547,873	$0.84
1979	1,547,873	0.71
1978	1,547,873	0.76
1977	1,547,873	1.04
1976	1,535,423	0.82

+ Of continuing operations only.
† Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1980 (000's)	%	1979 (000's)	%
Wood products	$22,600	60%	$23,600	60%
Metal shaping	9,100	24	9,500	24
Electromechanical items	6,200	16	6,100	16
Intercompany sales	(1,200)	—	(1,000)	—
Total	$36,700	100%	$38,200	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.30	—	—
1979	0.30	—	—
1978	0.30	—	—
1977	0.30	—	—
1976	0.30	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$ 13,663,102	$8.83
1979	12,827,608	8.29
1978	12,188,101	7.87
1977	11,471,815	7.41
1976	10,276,169	6.69

‡ After allowing for preferred stock at stated value of $12 per share.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 36,732,358	$ 38,161,273
Cost of sales	31,455,759	31,619,397
Expenses	2,584,104	2,561,344
Interest expense	281,772	273,034
Other charges	105,521	86,303
Income before taxes	$ 2,305,202	$ 3,621,195
Income taxes	956,387	1,659,862
Income from cont. oper.	$ 1,348,815	$ 1,961,333
Income (loss) from from discont. oper.	122,430	686,072
Net Income	$ 1,471,245	$ 1,275,261

* Included in costs and Expenses, Depreciation and Amortization: $944,518 in 1980 and $894,150 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 296,972	$ 254,141
Recov. inc. taxes	—	88,245
Accts. & notes receiv., net	3,467,460	4,350,878
*Inventories	9,984,601	9,450,912
Prepaid expenses	347,328	327,121
Current Assets	$ 14,096,361	$ 14,471,297
Note receiv.	—	104,159
# Fixed assets	6,186,465	6,075,574
Other assets & defer. charges	122,131	227,809
Total Assets	$ 20,404,957	$ 20,878,839

Liabilities

	1980	1979
Notes payable	$ 1,000,000	$ 1,400,000
Long-term debt, curr.	—	187,500
Accts. payable	917,322	1,000,715
Accrued payroll	331,226	511,384
Dividends payable	158,939	158,939
Income taxes	161,797	28,420
Other liabilities	494,131	537,684
Curr. Liabilities	$ 3,063,415	$ 3,824,642
Long-term debt	—	578,125

Deferred compensation	282,386	331,924
Deferred income tax	174,078	94,564
+ Preferred stock	3,221,976	3,221,976
+ + Common stock	2,333,413	2,333,413
Add. paid-in capital	619,500	619,500
Retained earnings	10,812,565	9,977,071
Treasury stock	(102,376)	(102,376)
Total Liabilities & Shareholders' Equity	$ 20,404,957	$ 20,878,839

*At lower of cost (FIFO) or market.
Less accumulated depreciation.
+ $12 stated value, Series A, $0.66 cumulative convertible.
+ + $1.50 par value.

Statistical Summary

%Net Income to Equity	8.71	7.95
Sales to Inventories	3.68	4.04
Working Capital	$ 11,032,946	$ 10,646,655
Current Ratio	4.60	3.78
Shareholders' Equity	$ 16,885,078	$ 16,049,584

Premier Industrial Corporation

4415 Euclid Avenue
Cleveland, Ohio 44103
(216) 391-8300

Officers: Morton L. Mandel, chairman of the board; Jack N. Mandel, finance committee chairman; Joseph C. Mandel, executive committee chairman, Robert Warren, president; William M. Hamilton, Stewart W. Damon, William A. Stenzel, sr. v.p.'s; Philip S. Sims, sr. v.p. & treasurer; Grant C. Grinnell, v.p. & secretary; Herbert G. Blumerg, Herbert W. Limpert, J. Robert McCable, Louis H. Prescott, Denis M. Bohm, Bruce W. Johnson, vice presidents; Phillip VanderPol, v.p. & controller.

Directors: John C. Colman, John A. Gelbach, Jack N. Mandel, Joseph C. Mandel, Morton L. Mandel, Hugh Calkins, Harvey Mahlig, Robert Warren, Charles E. Spahr.

Divisions and Subsidiaries:

Electronic and Electrical Components Group

Newark Electronics
500 North Pulaski Street
Chicago, Illinois 60624
(312) 638-4411

Electronic components and equipment including semi-conductors, integrated circuits, switches, relays, test and sound equipment, capacitors, resistors and connectors.

Cadillac Electric Supply
20700 Hubbell Avenue
Oak Park, Michigan 48237
(313) 548-2050

Electrical items including wire and cable, roughing-in materials, motor controls, distribution equipment, lamps, fuses, wiring devices and other electrical maintenance products

Industrial Maintenance Products Group

Brooks Technology Co.
3304 East 87th Street
Cleveland, Ohio 44127
(216) 641-5100

Industrial and specialty greases, open gear lubricants, gear oils, corrosion preventives, cutting and grinding fluids, wire rope lubricants, roll oils, and drawing and forging compounds.

C-T Engineering Co.
4415 Euclid Avenue
Cleveland, Ohio 44103
(216) 391-8300

Heavy-duty fasteners, special hardware and parts for construction transportation equipment.

Certanium Alloys and Research Co.
4415 Euclid Avenue
Cleveland, Ohio 44103
(216) 391-8300

Special welding electrodes, brazing alloys, fluxes, solders, and welding aids.

Premier Fastener Co.
4415 Euclid Avenue
Cleveland, Ohio 44103
(216) 391-8300

High performance cap screws, nuts, washers, screws, specialty fasteners and industrial shop supplies.

Premier Autoware Co.
4415 Euclid Avenue
Cleveland, Ohio 44103
(216) 391-8300

Replacement parts for cars and trucks, including special hardware and shop supplies.

J.I. Holcomb Manufacturing Co.
4415 Euclid Avenue
Cleveland, Ohio 44103
(216) 391-8300

Cleaners, disinfectants, degreasers and protective coatings for industrial, commercial, and institutional applications. Insecticides, floor conditioners and floor maintenance products.

Kent Industries
4415 Euclid Avenue
Cleveland, Ohio 44103
(216) 391-8300

Adhesives, cements, sealants, caulks, cleaners and related application equipment for the automotive and marine industries.

Rotanium Products Co.
4415 Euclid Avenue
Cleveland, Ohio 44103
(216) 391-8300

Electrical systems components and other specialty products such as industrial lamps, terminals, connectors, fittings, clamps and building hardware.

Trexon Products Co.
4415 Euclid Avenue
Cleveland, Ohio 44103
(216) 391-0067

Extra heavy-duty electrical cord, cable and associated devices.

D-A Lubricant Company, Inc.
1340 West 29th Street
Indianapolis, Indiana 46208
(317) 923-5321

Engine oils and greases for heavy-duty diesel driven equipment.

Maintenance, Inc.
1051 Liberty Street
Wooster, Ohio 44691
(216) 264-6262

Coatings to protect and color off-street asphalt and concrete pavements and recreational areas.

Fire Fighting Group

Akron Brass Co.
Foot of Spruce Street
P.O. Box 86
Wooster, Ohio 44691
(216) 264-5100

Fire-fighting components including nozzles, hose couplings, valves and specialized fire-fighting equipment.

Western Fire Equipment Co.
440 Valley Drive
Brisbane, California 94005
(415) 467-5650

Forestry, municipal and industrial fire-fighting equipment, including portable tanker units, protective clothing and specialized fire-fighting tools.

Transfer Agent(s):

AmeriTrust Company
East 9th Street & Euclid
Cleveland, Ohio 44101

Stock Exchange(s): New York

Ticker Symbol: PRE

Number of Employees:

1980	3,500	1977	2,470
1979	3,300	1976	2,400
1978	2,470		

Plant Footage:

1980	1,485,244 sq. ft.	1977	1,329,107
1979	1,373,307	1976	1,610,761
1978	1,329,107		

Sales and Earnings

	Oper. Revenues	Net Income
1980	$ 317,738,904	$ 31,347,816
1979	257,960,600	21,501,953
1978	210,643,376	15,882,022
1977	177,406,053	13,592,643
1976	158,786,467	12,488,363

	No. of Com. Shares ‡	Earn. per Share ‡
1980	10,461,374	$3.00
1979	10,544,867	2.04
1978	10,847,132	1.46
1977	12,016,088	1.13
1976	12,435,224	1.00

‡ Based on average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1980	1979
Industrial maintenace	$ 156,219,000	$ 136,894,000
Fire-fighting products	24,753,000	22,266,000
Electronic & electrical components	136,767,000	98,801,000
Total	$ 317,739,000	$ 257,961,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.512	—	3-for-2
1979	0.41	—	—
1978	0.35	—	—
1977	0.29	—	—
1976	0.25	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 114,049,508	$10.90
1979	91,236,918	8.65
1978	75,530,813	6.96
1977	56,077,634 ‡	4.67
1976	47,037,926 ‡	3.78

+ Based on average number of common shares and common share equivalents outstanding adjusted to reflct stock split.
‡ After allowing for preferred stock at total voluntary or involuntary liquidation value.

Income Account

Year ended May 31	1980	1979
Oper. revenues	$ 317,738,904	$ 257,960,600
Other income	1,336,843	294,165
Revenues	$ 319,075,747	$ 258,254,765
Cost of sales	174,163,011	142,240,701
Expenses	82,075,945	69,527,129
Income taxes	3,563,000	1,881,000
Depreciation & amortization	3,154,052	3,481,786
Interest expense	683,923	829,196
Income before taxes	$ 55,435,816	$ 40,294,953
Income taxes	24,088,000	18,793,000
Net Income	$ 31,347,816	$ 21,501,953

Assets

As of May 31	1980	1979
Cash	$ 7,854,892	$ 3,703,950
Receiv., net	53,285,561	48,082,756
* Inventories	47,306,687	41,144,651
Prepaid expenses	1,351,366	2,168,963

Current Assets	$ 109,798,506	$ 95,100,320
# Fixed assets	23,358,521	22,099,076
Other assets	15,538,247	11,535,746
Total Assets	$ 148,695,274	$ 128,735,142
Liabilities		
Long-term debt, curr.	$ 4,477,369	$ 11,291,187
Payables	13,594,616	10,993,202
Accruals	9,494,305	8,465,568
Income taxes	3,993,476	4,305,682
Curr. Liabilities	$ 31,559,766	$ 35,055,639
Deferred inc. taxes	2,813,000	2,023,000
Long-term debt	273,000	419,585
+ Common stock	10,588,011	7,058,845
Add. paid-in capital	—	61,313
Retained earnings	108,373,938	85,987,877
Treasury stock	(4,912,441)	(1,871,117)
Total Liabilities & Shareholders' Equity	$ 148,695,274	$ 128,735,142

* At lower of cost (FIFO or LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	17.45	15.62
%Net Income to Revenues	9.87	8.34
%Net Income to Equity	27.49	23.57
Working Capital	$ 78,238,740	$ 60,044,681
Current Ratio	3.48	2.71
Shareholders' Equity	$ 114,049,508	$ 91,236,918

Premier Microwave Corporation

33 New Broad Street
Port Chester, New York 10573
(914) 939-8900

Officers: Leonard Kardon, president and chairman of the board; Irving M. Gross, vice president and treasurer; Frances Gross, secretary.

Directors: Leonard Kardon, chairman; Irving M. Gross, Bessie Hamers, Jerome L. Greene, David H. Cogan, Sam Hamers, Frances Gross, Nancy K. Rosenberg.

Areas of Work: Produces variable attenuators, printed circuit filters, high power ferrite isoloators, mixers, crossed field balanced mixers and duplexer mixers, tunable bandpass filters, wavemeters, tape drives, adjustable filters, rotary joints, antennas, microwave components and assemblies, and other electronic components.

Transfer Agent(s):

Registrar and Transfer Company
140 Cedar Street
New York, New York 10006

Stock Exchange(s): Over-the-counter

Number of Employees:

1980	49	1977	37
1979	49	1976	29
1978	48		

Plant Footage:

1980	15,000 sq.ft.	1977	15,000
1979	15,000	1976	14,000
1977	15,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 3,807,900	$ 359,500
1979	3,783,000	248,800
1978	2,928,400	304,700
1977	1,740,400	90,000
1976	2,221,400	197,600

	No. of Com. Shares	Earn per Share #
1980	240,756	$1.49
1979	240,756	1.03
1978	240,756	1.26
1977	241,235	0.37
1976	241,235	0.81

# Based on weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.30	—	—
1979	0.50	—	—
1978	0.20	—	—
1977	0.03	—	—
1976	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,981,200	$8.23
1979	1,693,900	7.04
1978	1,565,500	6.50
1977	1,310,600	5.43
1976	1,293,000	5.36

Income Account

Year ended Nov. 30	1980	1979
Net sales	$ 3,807,900	$ 3,783,000
Other income	168,400	31,400
Total income	$ 3,976,300	$ 3,814,400
Cost of sales	2,591,900	2,754,900
Expenses	761,400	652,100
Depreciation & amortization	56,300	37,500
Interest expense	100	20,600
Income before taxes	$ 566,600	$ 349,300
Income taxes	207,100	100,500
Net Income	$ 359,500	$ 248,800

Assets

As of Nov. 30	1980	1979
Cash & cert. of dep.	$ 46,400	$ 121,900
Marketable securities	630,100	50,600
Accts. receiv., net	630,300	627,500
* Inventories	841,700	694,000
Prepaid expenses	17,900	38,100
Refundable taxes	—	106,000
Current assets	$ 2,166,400	$ 1,638,100
# Fixed assets	449,300	354,100
Other assets	100	100
Total Assets	$ 2,615,800	$ 1,992,300
Liabilities		
Notes payable	$ 150,000	$ —
Accts. payable & accruals	207,900	189,700
Accrued payroll	161,700	108,700
Income taxes	114,000	—
Current Liabilities	$ 634,600	$ 298,400
+ Common stock	264,500	264,500
Add. paid-in capital	377,700	377,700
Retained earnings	1,396,600	1,109,300
Treasury stock	(57,600)	(57,600)
Total Liabilities & Shareholders' Equity	$ 2,615,800	$ 1,992,300

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	14.88	9.23
%Net Income to Sales	9.44	6.58
%Net Income to Equity	18.15	14.69
Sales to Inventories	4.52	5.45
Working Capital	$ 1,531,800	$ 1,339,700
Current Ratio	3.41	5.49
Shareholders' Equity	$ 1,981,200	$ 1,693,900

Prestige Electronics, Inc.

(formerly Circuit Science, Inc.)

9628 6th Avenue No.
Minneapolis, Minnesota 55441
(612) 544-8655

Officers: Richard J. Borden, president; Hilding C. Nelson, executive vice president & secretary; Gary A. Grev, treasurer; Robert F. Collins, asst. secretary.

Directors: R.J. Borden, Robert F. Collins, Hilding C. Nelson.

Areas of Work: Manufactures and assembles printed and multi-layer printed circuit boards.

Divisions:

Multaplex Division
2160 Walsh Avenue
Santa Clara, California 95050
(408) 249-8980

also at:

1100 Comstock Street
Santa Clara, California 95050
(408) 249-4033

Engaged in the manufacture of multi-layer printed circuit boards.

Transfer Agent(s):

First National Bank
6th and Marquette
Minneapolis, Minnesota

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	165	1977	125
1979	198	1976	145
1978	190		

Plant Footage:

1980	59,000 sq.ft.	1977	28,000
1979	59,000	1976	42,500
1978	53,000		

Sales and Earnings

	Net Sales	Net Income †
1980	$ 9,072,105	$ 245,355
1979	8,891,025	542,720
1978	7,109,723	499,528
1977	5,457,824	429,357
1976	4,730,963	245,826

	No. of Com. Shares	Earn. per Share #†
1980	106,190	$2.31
1979	106,190	5.10
1978	106,190	4.25
1977	138,774	2.18
1976	270,172	0.89

# Based on the weighted average number of common shares and common share equivalents outstanding.
† Including extraordinary gains of $141,015 (1.33 per share) in 1980 and $227,243 (2.13 per share) in 1979.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.10	—	—
1979	0.10	—	—
1978	0.05	—	—
1977	0.05	—	—
1976	0.05	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,055,512	$19.36
1979	1,819,905	17.14
1978	1,289,717	12.15
1977	1,037,336	7.48
1976	1,194,054	4.42

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 9,072,105	$ 8,891,025
Cost of sales	7,606,155	7,020,847
Expenses	1,221,227	1,211,389
Oper. income	$ 244,723	$ 658,789
Interest expense	172,168	191,052
Interest income	(11,936)	(14,316)
Rental income	(43,050)	(54,424)
Other income	(29,499)	—
Income before taxes	$ 157,040	$ 536,477
Income taxes	52,700	221,000
Net Income	$ 104,340	$ 315,477
Extraord. gain	141,015	227,243
Net Income & extraord. gain	$ 245,355	$ 542,720

* Included in Costs and Expenses, Depreciation and Amortization: $285,237 in 1980 and $224,104 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 100,000	$ 242,524
Accts. receiv., net	1,299,171	1,168,791
* Inventories	748,152	735,347
Prepaid expenses	69,618	132,190
Refundable income taxes	115,569	—
Current Assets	$ 2,332,510	$ 2,278,852
# Fixed assets	1,911,283	1,940,270
Other assets	31,763	70,892
Total Assets	$ 4,275,556	$ 4,290,104

Liabilities

	1980	1979
Checks issued in exc. of funds	$ 160,632	$ —
Long-term debt, curr.	125,821	213,779
Accts. payable	267,832	391,608
Loan payable	26,709	—
Accruals	34,038	20,335
Accrued compensation	86,908	67,133
Income taxes	—	119,289
Other taxes	26,092	76,139
Curr. Liabilities	$ 728,032	$ 888,283
Long-term debt	1,276,612	1,404,216
Deferred inc. taxes	215,400	177,700
+ Common stock	6,939	6,939
Retained earnings	2,292,294	2,056,687
Treasury stock	(243,721)	(243,721)
Total Liabilities & Shareholders' Equity	$ 4,275,556	$ 4,290,104

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.05 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	1.73	6.03
%Net Income to Sales	1.15	3.55
%Net Income to Equity	5.08	17.33
Sales to Inventories	12.13	12.09
Working Capital	$ 1,604,478	$ 1,390,569
Current Ratio	3.20	2.57
Shareholders' Equity	$ 2,055,512	$ 1,819,905

PRIME Computer, Inc.

Prime Park
Natick, MA 01760
(617) 655-8000

Officers: David J. Dunn, chairman of the board; Kenneth G. Fisher, president & chief executive officer; David F. Horton, v.p.-corporate development; Joseph F. Cashen, v.p.-engineering; David Cheesman, v.p. research & development UK; Edward J. Christiansen, v.p.-software development; Ian R.G. Edmonds, v.p.-hardware development; Byron G. Gayman, v.p.-research; John K. Buckner, v.p. & chief financial officer; Bernard F. Bradstreet, treasurer; Richard T. Finigan, controller; Donald P. Jacobs, v.p.-human resources; James K. Walsh, v.p.-general counsel; Robert P. Berkowitz, v.p.-manufacturing; Edward T. Cuddy, v.p.-production operations; Allan N. Stevens, v.p. materials management; Robert M. Morrill, v.p.-marketing; Robert G. Claussen, v.p.-domestic sales; Peter Gyenes, v.p.-European sales; John D. Ludden, v.p.-marketing services.

Directors: David J. Dunn*, chairman, Frank P. Brunetta, John S. Dulaney*, Kenneth G. Fisher*, Arthur Carr, Harry A. Steinberg*, Harold A. Strickland, Jr.

*Member of the Executive Committee.

Areas of Work: Design, manufacture, sale and service of small and medium size general purpose digital computers and interactive computer systems.

Subsidiaries:

Prime Computer (U.K.) Limited (United Kingdom)
Prime Computer GmbH (West Germany)
Prime Informatique, S.A. (France)
Prime Computer Scandinavia AB
Prime Computer International Sales Corporation

Transfer Agent(s):

The First National Bank of Boston
Shareholder Services Division
P.O. Box 644
Boston, MA 02110

Stock Exchange(s): New York

Ticker Symbol: PRM

Number of Employees:

1980	4,011	1977	1,070
1979	2,570	1976	520
1978	1,665		

Plant Footage:

1979	457,000 sq.ft.	1976	170,000
1978	479,000	1975	90,000
1977	321,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$267,637,000	$ 31,222,000
1979	152,943,000	16,940,000
1978	93,554,000	8,406,000
1977	50,032,000	3,926,000
1976	22,797,000	2,429,000

	No. of Com. Shares +	Earn. per Share ‡
1980	26,447,490	$1.07
1979	26,477,490	0.64
1978	25,897,680	0.32
1977	24,127,173	0.16
1976	20,529,837	0.12

‡ Including extraordinary gains of $150,000 ($0.01 per share) in 1977 and $1,230,000 ($0.06 per share) in 1976.
+ Based on weighted average number of shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	3-for2 & 3-for-2
1979	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 98,898,000	$3.38
1979	44,399,000	1.68
1978	25,073,000	0.97
1977	15,280,000	0.63
1976	5,251,000	0.26

+ Based on weighted average number of share and common share equivalents outstanding adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$267,637,000	$152,943,000
Cost of sales	112,224,000	63,898,000
Expenses	82,067,000	46,684,000
Prod. devel. & eng.	20,390,000	12,062,000
Interest expense	5,737,000	3,327,000
Other expense (income)	990,000	(223,000)
Income before taxes	$ 46,229,000	$ 27,195,000
Income taxes	15,007,000	10,225,000
Net Income	$ 31,222,000	$ 16,940,000

* Included in Costs and Expenses, Depreciation and Amortization: $6,268,000 in 1980 and $3,607,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 17,516,000	$ 4,348,000
Accts. receiv., net	94,891,000	69,789,000
* Inventories	49,134,000	32,412,000
Prepaid exp. & deposits	7,892,000	2,648,000
Current Assets	$169,433,000	$109,197,000
# Fixed assets	62,182,000	32,576,000
Def. fin. exp.	1,479,000	892,000
Total Assets	$233,094,000	$142,665,000

Liabilities

	1980	1979
Notes payable	$ —	$ 3,835,000
Equip. lease oblig., curr.	996,000	795,000
Accts. payable	20,708,000	16,828,000
Accruals	15,880,000	8,222,000
Income taxes	2,719,000	1,855,000
Deferred inc. taxes	10,392,000	7,607,000
Curr. Liabilities	$ 50,695,000	$ 39,142,000
Long-term debt	50,000,000	20,000,000
Notes payable	2,461,000	19,975,000
Equip. lease oblig.	8,311,000	6,787,000
Deferred inc. taxes	22,729,000	12,362,000
+ Common stock	366,000	144,000
Add. paid-in capital	38,247,000	15,192,000
Retained earnings	60,285,000	29,063,000
Total Liabilities & Shareholders' Equity	$233,094,000	$142,665,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.0125 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	17.27	17.78
%Net Income to Sales	11.67	11.08
%Net Income to Equity	31.57	38.15
Sales to Inventories	5.45	4.72
Working Captital	$118,738,000	$ 70,055,000
Current Ratio	3.34	2.79
Shareholders' Equity	$ 98,898,000	$ 44,399,000

Princeton Electronic Products, Inc.

P.O. Box 101
North Brunswick, New Jersey 08902
(201) 297-4448

Officers: Steven R. Hofstein, chairman of the board; Hyman Center, president; Lloyd D. Feld, secretary.

Directors: Steven R. Hofstein, chairman; Hyman Center, Lloyd D. Feld, George A. Gade, Eftim Pandeff, Donald Cluck, Arthur Goldman.

Areas of Work: Manufactures and sells video/graphic scan converters and storage terminals used in medical electronics applications including ultrasound diagnostic systems; also used in radar and sonar display systems, facsimile transmission systems.

Transfer Agent(s):
American Transfer Company
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PELT (NASDAQ)

Number of Employees:

1980	23	1978	65
1979	60	1977	55

Plant Footage:

1980	14,000 sq. ft.	1978	19,000
1979	N/A *	1977	13,000

* Not Available.

Sales and Earnings

	Net Sales	Net Income#
1980	$ 2,037,072	$ (770,260)
1979	2,248,147	(491,758)
1978	3,507,133	166,706
1977	3,609,015	287,642
1976	2,846,041	75,545

	No. of Com. Shares‡	Earn. per Share#‡
1980	1,329,636	$ —
1979	1,322,666	—
1978	1,323,879	0.13
1977	1,322,046	0.22
1976	1,312,404	0.06

(Loss)
# Including extraordinary credits of $46,000 ($0.04 per share) in 1978, $94,500 ($0.07 per share) in 1977 and $4,522 ($0.01 per share) in 1976.
‡ Based on weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 499,130	$0.38
1979	1,264,857	0.96
1978	1,726,615	1.30
1977	1,559,909	1.18
1976	1,266,267	0.96

‡ Based on weighted average number of common shares and common shares equivalents outstanding.

Income Account *

Year ended May 31	1980	1979
Net sales	$ 2,037,072	$ 2,248,147
Interest income	268	10,250
Total Revenues	$ 2,037,340	$ 2,258,397
Cost of sales	2,079,998	1,739,306
Expenses	611,688	980,155
Interest expense	108,676	20,747
Loss before taxes	$ (763,022)	$ (481,811)
Income taxes	7,238	9,947
Net Loss	$ (770,260)	$ (491,758)

* Included in Costs and Expenses,, Depreciation and Amortization: $79,935,000 in 1980 and $76,800,000 in 1979.

Assets

As of May 31	1980	1979
Cash	$ 51,298	$ 215,592
Accts. receiv., net	346,970	434,805
*Inventories	1,134,966	1,112,476
Prepaid expenses	14,625	5,271
Current Assets	$ 1,547,859	$ 1,768,144
#Fixed assets	265,968	231,228
Security deposits	8,410	6,460
Intangibles	186,725	183,597
Total Assets	$ 2,008,962	$ 2,189,429
Liabilities		
Notes payable	$ 646,986	$ 500,000
Accts. payable & accruals	854,008	408,573
Income taxes	8,838	15,999
Curr. Liabilities	$ 1,509,832	$ 924,572
+Common stock	1,404,369	1,399,836
Add. paid-in capital	1,111,170	1,111,170
Deficit	(2,016,409)	(1,246,149)
Total Liabilities & Shareholders' Equity	$ 2,008,962	$ 2,189,429

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

Sales to Inventories	1.79	2.02
Working Capital	$ 38,027	$ 843,572
Current Ratio	1.03	1.91
Shareholders' Equity	$ 499,130	$ 1,264,857

Quantronix Corporation

225 Engineers Road
Smithtown, New York 11787
(516) 273-6900

Officers: Richard T. Daly, chairman and president; Robert A. Kaplan, v.p.-engineering and treasurer; Sydney Meistrich, v.p.-mfg. and secretary; William I. Kern, v.p.-marketing; Joseph T. Kaplan, comptroller.

Directors: Richard T. Daly, Robert A. Kaplan, Peter S. Kolevzon, Sydney Meistrich, Robert W. Daly, George N. Riordin, Frederick W. Kulicke.

Areas of Work: Engaged in a single line of business: manufacturing electro-optic devices and systems, principally involving the use of a laser component, and end-products produced by such devices. Its products consist of a catalogue line of lasers, laser components and laser accessories; a "Laserscribe" system, which is used in the manufacture of semi-conductors; a Mask Inspection and Repair Tool, which is used to reduce waste in the manufacture of semi-conductors; and the Q-marc symbol master, which is used in the printing of labels readable by laser-scanning devices that identify stock-keeping units in supermarkets.

Transfer Agent(s):
American Transfer Company
44 Beaver Street
New York, New York 10004

Stock Exchange(s): Over-the Counter

Ticker Symbol: QUAN(NASDAQ)

Number of Employees:

1980	116	1976	63
1978	72	1975	63
1977	65		

Plant Footage:

1980	26,500 sq.ft.	1976	26,500
1978	26,500	1975	26,500
1977	26,500		

Sales and Earnings

	Net Sales †	Net Income ‡
1981	$ 7,885,540	$ 313,072
1980	6,270,923	330,699
1979	3,609,825	248,788
1978	2,868,924	46,334
1977	2,632,835	73,669

	No. of Com. Shares #	Earn. per Share ‡ #
1981	838,536	$0.37
1980	807,040	0.41
1979	779,216	0.32
1978	776,750	0.06
1977	776,750	0.09

† Includes services.
‡ Including extraordinary gains of $90,000 ($0.12 per share) in 1979, $7,000 ($0.01 per share) in 1977 and $2,800 in 1976.
# Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share +
1981	$ 2,320,306	$2.77
1980	1,698,669	2.10
1979	1,327,649	1.70
1978	1,078,051	1.39
1977	1,031,717	1.33

+ Based on the weighted average number of shares outstanding.

Income Account *

Year ended March 31	1980	1979
Net sales & services	$ 6,270,923	$ 3,609,825
Cost of sales & services	3,378,026	1,948,115
Expenses	2,119,904	1,346,164
Interest expense	207,294	66,758
Income before taxes	$ 565,699	$ 248,788
Income taxes	235,000	90,000
Net Income	$ 330,699	$ 158,788
Extraord. gain	—	90,000
Net Income & extraord. gain	$ 330,699	$ 248,788

* Included in Costs and Expenses, Depreciation and Amortization:$127,635 in 1980 and $91,362 in 1979.

Assets

As of March 31	1980	1979
Cash	$ 633,067	$ 40,208
Accts. receiv., net	1,568,099	845,109
*Inventories	1,563,277	1,073,571
Prepaid expenses	43,401	32,907
Current Assets	$ 3,807,844	$ 1,991,795
#Fixed assets	1,189,953	263,244
Other assets	76,463	73,786
Total Assets	$ 5,074,260	$ 2,328,825
Liabilities		
Notes payable	$ —	$ 200,000
Long-term debt, curr.	34,740	110,000
Accts. payable	—	236,231
Accruals & other liabilities	335,544	189,112
Inc. taxes payable	229,176	—

Curr. Liabilities	$ 1,145,553	$ 735,343
Long-term debt	2,230,038	265,833
+Common stock	8,363	7,878
Add. paid-in capital	2,063,697	2,023,961
(Deficit)	(352,866)	(683,565)
Note receiv.- sale of stock	(20,525)	(20,625)
Total Liabilities & Shareholders' Equity	$ 5,074,260	$ 2,328,825

* At lower of average cost of market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales & Services	9.02	6.89
%Net Income to Sales & Services	5.27	4.40
%Net Income to Equity	19.47	11.96
Working Capital	$ 2,662,291	$ 1,256,452
Current Ratio	3.32	2.71
Shareholders' Equity	$ 1,698,669	$ 1,327,649

Quotron Systems, Inc.

5454 Beethoven Street
Los Angeles, California 90066
(213) 398-2761

Officers: M.E. Mohr, chairman of the board, president & chief executive officer; G.H. Levine, v.p.-marketing & corp. secretary; A.F. Wood, v.p. int'l operations; James L. Daugherty, v.p.-finance; R.B. Cooper, v.p.-customer engineering; B.B. Jackson, exec. v.p.-engineering & manufacturing; George F. Kabouchy, v.p. systems, operations & programs; Peir L. Rossi, v.p.-engineering; Nikki Parker, v.p.-industrial relations; Donald L. Stevens, v.p.-business development.

Directors: Richard W. Millar, Milton E. Mohr, Bayard Walker, T.F. Walkowicz, Frank Weeden, Richard F. Hespos, Ivan Sutherland.

Areas of Work: Manufacturer of general purpose computers and supplier of financial information services primarily for the finance market.

Transfer Agent(s):

The Chase Manhattan Bank
One New York Plaza
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Ticker Symbol: QUOT (NASDAQ)

Number of Employees:

1979	631	1978	573

Plant Footage:

1979	150,000 sq. ft.	1978	125,000

Sales and Earnings

	Revenues	Net Income +
1980	$ 63,809,000	$ 8,909,000
1979	47,414,788	7,017,121
1978	39,379,324	4,470,000
1977	33,353,384	4,850,374
1976	24,642,972	2,791,729

	No. of Com. Shares ‡	Earn. per Share + †
1980	7,757,458	$1.23
1979	6,872,948	0.95
1978	6,467,928	0.59
1977	4,408,338	0.65
1976	4,334,338	0.43

+ Including extraordinary gain of $2,269,155 ($0.39 per share) in 1977 and $1,463,533 ($0.29 per share) in 1976.
† Based on the weighted average number of common shares and common stock equivalents outstanding adjusted to reflect stock split.
‡ Adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 52,217,000	$6.73
1979	20,084,976	2.92
1978	14,991,580	2.32
1977	6,773,019	1.54
1976	1,777,245	0.41

+ Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1980	1979
Financial info. serv.	$ 56,818,000	$ 42,782,853
Net sales	6,991,000	4,631,935
Total income	$ 63,809,000	$ 47,414,788
Cost of service	28,717,000	23,687,795
Cost of sales	4,325,000	2,763,255
Expenses	12,562,000	8,815,596
Interest expense	2,130,000	2,294,021
Income before taxes	$ 16,075,000	$ 9,854,121
Income taxes	7,166,000	2,837,000
Net Inome	$ 8,909,000	$ 7,017,121

*Included in Costs and Expenses, Depreciation and Amortization: $9,129,000 in 1980 and $8,094,906 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 6,334,000	$ 154,316
Accts. receiv., net	5,317,000	4,018,519
*Inventories	9,488,000	4,612,143
Current Assets	$ 21,139,000	$ 8,784,978
# Financial infor. serv. equip.	39,830,000	30,145,535
# Fixed assets	2,638,000	2,062,043
Other assets	919,000	291,141
Total Assets	$ 64,526,000	$ 41,283,697

Liabilities

Accts. payable	$ 1,892,000	$ 1,225,980
Long-term debt, curr.	880,000	14,157,534
Accruals	8,269,000	5,230,589
Deferred taxes	1,268,000	584,618
Total Liabilities	$ 12,309,000	$ 21,198,721
+ Common stock	776,000	687,294
Add. paid-in capital	30,994,000	7,859,798
Retained earnings	20,447,000	11,537,884
Total Liabilities & Shareholders' Equity	$ 64,526,000	$ 41,283,697

*At lower of average cost or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	25.19	20.78
%Net Income to Revenues	13.96	14.80
%Net Income to Equity	17.06	34.94
Shareholders' Equity	$ 52,217,000	$ 20,084,976

Radiation Systems, Inc.

1501 Moran Road
Sterling, Virginia 22170
(703) 450-5680

Officers: Richard E. Thomas, chairman of the board & president; Michael Steinman, v.p. & secretary; Harold Aryai Siegel, v.p. & general counsel; Junius H. Arnold, Jr., v.p.'s, Charles J. Beuley, Robert L. Pevenstein, treasurer.

Directors: Richard E. Thomas, Peter Schenck, Earle Cook, Lee M. Paschall, Michael Steinman.

Areas of Work: Manufactures communications antennas for the military, air traffic control and commercial satellite industries.

Subsidiary:

Universal Antennas, Incorporated
401 Kirby Street
Garland, Texas 75042

Transfer Agent(s):

The Riggs National Bank
800 17th Street N.W.
Washington, D.C. 20006

Stock Exchange(s): Over-the-Counter

Ticker Symbol: RADS (NASDAQ)

Number of Employees:

1980	147	1977	116
1979	117	1976	106
1978	84		

Plant Footage:

1980	93,000 sq.ft.	1977	60,000
1979	59,000	1976	60,000
1978	60,000		

Sales and Earnings

	Net Sales	Net Income +
1980	$ 7,654,000	$ 836,000
1979	5,655,000	666,000
1978	3,538,000	434,000
1977	5,124,000	628,000
1976	4,736,000	512,000

	No. of Com. Shares	Earn. per Share +
1980	737,000	$1.06
1979	730,000	0.88
1978	647,000	0.61
1977	731,000	0.81
1976	731,000	0.69

+ Including extaordinary credits of $55,000 ($0.07 per share) in 1977 and $250,000 ($0.34 per share) in 1976.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.10	—	—
1979	0.05	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 3,842,000	$5.22
1979	3,147,000	4.31
1978	2,422,000	3.74
1977	2,196,283	3.01
1976	1,568,625	2.15

Income Account *

Year ended June 30	1980	1979
Net sales	$ 7,654,000	$ 5,655,000
Other income	84,000	125,000
Total income	$ 7,738,000	$ 5,780,000
Cost of sales & exp.	6,366,000	4,579,000
Interest expense	79,000	18,000
Future minor. int.	11,000	—

Income before taxes	$ 1,282,000	$ 1,183,000
Income taxes	446,000	517,000
Net Income	$ 836,000	$ 666,000

*Included in Costs and Expenses, Depreciation: $171,000 in 1980 and $82,000 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 460,000	$ 65,000
Due from invest. broker	—	372,000
Short-term invest.	—	494,000
Accts. receiv., net	1,471,000	298,000
Unbilled costs & accrued profits	2,576,000	2,255,000
Refundable taxes	418,000	47,000
*Inventories	301,000	276,000
Other assets	64,000	74,000
Current Assets	$ 5,290,000	$ 3,881,000
Non-curr. invest.	634,000	—
# Fixed assets	3,575,000	733,000
Total Assets	$ 9,499,000	$ 4,614,000

Liabilities

Mortg. payable	$ 178,000	$ —
Accts. payable	1,086,000	323,000
Cust. advances	234,000	64,000
Accruals	238,000	250,000
Accrued payroll	119,000	95,000
Deferred inc. taxes	1,145,000	343,000
Other liabilities	13,000	28,000
Curr. Liabilities	$ 3,013,000	$ 1,103,000
Mortg. payable	2,612,000	364,000
Deferred inc. taxes	21,000	—
Future minority int.	11,000	—
+ Common stock	823,000	816,000
Add. paid-in apital	941,000	941,000
Retained earnings	2,364,000	1,601,000
Unrealized loss on invest.	(75,000)	—
Treasury stock	(211,000)	(211,000)
Total Liabilities & Shareholders' Equity	$ 9,499,000	$ 4,614,000

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	16.75	20.92
%Net Income to Sales	10.92	11.78
%Net Income to Equity	21.76	21.16
Sales to Inventories	25.43	20.49
Working Capital	$ 2,277,000	$ 2,778,000
Current Ratio	1.76	3.52
Shareholders' Equity	$ 3,842,000	$ 3,147,000

Radio Frequency Company, Inc.

150 Dover Road
Millis, Massachusetts 02054
(617) 762-4900

Officers: Melvyn H. Harris, chairman of the board; Thomas W. James, president & chief exec. officer; Wallace J. Ross, v.p. & treasurer; Ruth Y. Manwaring, clerk.

Directors: Norman Barlow, Ruth Y. Manwaring, A. Lee MacPhail, Robert L. Warren, Jr., Melvyn H. Harris, Rosamond B. Manwaring, Canda M. Tinkelenberg, Thomas W. James.

Areas of Work: Manufactures Induction and Macrowave heater-electronic ovens that use radio waves to heat and dry materials.

Subsidiaries:

Radio Frequency Realty Corporation
Medfield, Massachusetts 02502

Transfer Agent(s):

Boston Safe Deposit & Trust

Stock Exchange(s): Over-the-Counter

Number of Employees:

1981	35	1979	35
1980	35	1978	30

Plant Footage:

1981	26,000 sq. ft.	1979	26,000
1980	26,000	1978	12,000

Sales and Earnings ‡

	Net Sales	Net Income
1981	$ 2,036,234	$ 302,459
1980	1,803,964	307,107

	No. of Com. Shares	Earn. per Share #
1981	287,355	$1.04
1980	288,255	1.08

‡ Restated to reflect change in accounting method to comply with FASB Statement No. 43 concerning compensated absences.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$0.25	—	—
1980	0.22	—	—
1979	0.20	—	—
1978	0.20	—	—
1977	0.20	—	—

Common Stock Equity ‡

	Total Equity	Equity Per Share
1981	$ 1,941,218	$6.76
1980	1,724,753	5.98

‡ Restated to reflect change in accounting method.

Income Account *

Year ended March 31	1981	1980
Net sales	$ 2,036,234	$ 1,803,964
Cost of sales	1,344,232	947,540
Expenses	453,431	421,848
Other income	(270,956)	(94,487)
Income before taxes	$ 509,527	$ 529,063
Income taxes	207,068	221,956
Net Income	$ 302,459	$ 307,107

*Included in Costs and Expenses, Depreciation: $67,121 in 1980 and $58,925 in 1979.

Assets

As of March 31	1981	1980 ‡
Cash	$ 236,448	$ 195,045
Accts. receiv. net	487,733	284,635
*Inventories	561,615	654,277
Other assets	142,282	128,510
Current Assets	$ 1,428,078	$ 1,262,467
# Fixed assts	725,075	821,088
Mortg. note receiv.	138,060	—
Total Assets	$ 2,291,213	$ 2,083,555

Liabilities

Accts. payable	$ 75,586	$ 73,914
Customer progress payments	89,263	99,052
Income taxes	—	109,714
Accruals	153,446	76,122
Curr. Liabilities	$ 318,295	$ 358,802
Deferred inc. taxes	31,700	—
+ Common stock	343,000	343,000
Add. paid-in capital	298,080	298,080
Retained earnings	1,541,942	1,311,321
Treasury stock	(241,804)	(227,648)
Total Liabilities & Shareholders' Equity	$ 2,291,213	$ 2,083,555

‡ Restated to reflect change in accounting method.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	25.02	29.33
%Net Income to Sales	14.85	17.02
%Net Income to Equity	15.58	17.81
Sales to Inventories	3.63	2.76
Working Capital	$ 1,109,783	$ 903,665
Current Ratio	4.49	3.52
Shareholders' Equity	$ 1,941,218	$ 1,724,753

Ragen Precision Industries, Inc.

9 Porete Avenue
North Arlington New Jersey 07032
(201) 997-1000

Officers: I.L. Lopata, chairman of the board; Eugene L. Lopata, president; Henry K. Kane, v.p.-manufacturing; Alexander C. Tomkins, Jr., secretary & treasurer; Albert Dean, v.p.-information systems; Arnold Herman, v.p.-planning; Barney Hunts, v.p.-Systems Div..

Directors: I.L. Lopata, chairman; Henry K. Kane, Eugene E. Lopata, William F. McGuinness, Gerald Conway, A.C. Tomkins, Jr., Bohdan J. Kekish, Paul A. Fund, Bruce Elmblad.

Areas of Work: Manufactures electronic components, printed circuit boards, mechanical assemblies and subassemblies, and precision mechanical components for the business equipment, electronic, nuclear and aircraft industries; designs and manufacturing proprietary products, systems and services, such as graphic information management systems and numerically controlled assembly systems, for the commercial and indusrial industries.

Divisions:

Components Division
North Arlington, New Jersey
(201) 997-1000

Nuclear Division
North Arlington, New Jersey
(201) 997-1000

Systems Division
North Arlington, New Jersey
(201) 997-1000

Ragen Information Systems Division
North Arlington, New Jersey
Washington, D.C.

Subsidiaries:

Microtronics Corp.
Clifton, New Jersey
(201) 779-6600

Ragen Data Systems, Inc.
Farmingdale, New York
(516) 293-1333

Ragen International Corp.
North Arlington, New Jersey

Microtronics Corp. of Danbury
Danbury, Connecticut

Morgan Data Conversion, Inc.
Palo Alto, California

Transfer Agent(s):

The Marine Midland Bank
120 Broadway
New York, New York 10005

Stock Exchange(s): Over-the-Counter

Ticker Symbol: RAGN (NASDAQ)

Number of Employees:

1980	674	1977	400
1979	591	1976	350
1978	450		

Plant Footage:

1980	190,000 sq.ft.	1977	132,095
1979	190,000	1976	112,000
1978	132,095		

Sales and Earnings

	Net Sales	Net Income
1980	$ 29,749,830	$ 860,948
1979	25,750,381	1,505,031
1978	18,615,295	872,773
1977	14,913,731	660,016
1976	10,789,889	(827,778)

	No. of Com. Shares ‡	Earn. per Share ‡
1980	1,880,623	$0.46
1979	1,868,876	0.81
1978	1,863,402	0.47
1977	1,862,887	0.35
1976	1,863,361	—

(Loss)
‡ Based on average number of shares outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1980 (000's)	%	1979 (000's)	%
Precision mech. components	$ 11,639	39%	$ 11,430	44%
Prop. systems & equipment	5001	17	5,688	22
Printed current boards & assem.	6,953	23	5,363	21
Aircraft Instr. & components	6,157	21	3,269	13
Total	$ 29,750	100%	$ 25,750	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	6%	—
1979	—	5%	—
1978	—	3%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 8,859,243	$4.71
1979	7,765,898	4.16
1978	6,201,038	3.33
1977	5,326,279	2.86
1976	4,661,950	2.50

‡ Based on average number of shares outstanding adjusted to reflect stock dividends.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 29,749,830	$ 25,750,381
Cost of sales	22,022,863	19,089,563
Expenses	5,553,734	4,245,490
Oper. Profit	$ 2,173,233	$ 2,415,328
Other income	(198,361)	(178,325)
Total	$ 2,371,594	$ 2,593,653
Interest expense	956,984	520,316
Income before taxes	$ 1,414,610	$ 2,073,337
Income taxes	553,662	568,306
Net Income	$ 860,948	$ 1,505,031

* Included in Costs and Expenses, Depreciation and Amortization: $1,084,609 in 1980 and $843,458 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 1,242,990	$ 769,378
Marketable securities	—	48,000
Inc. taxes receiv.	158,812	—
Accts. receiv., net	6,115,169	5,231,713
*Inventories	8,861,172	5,087,453
Prepaid expenses	381,435	270,616
Deferred inc. taxes	219,801	—
Current Assets	$ 16,979,379	$ 11,407,160
Long-term receiv.	189,600	140,825
# Fixed assets	6,302,955	5,066,247
Other assets	260,183	191,410
Total Assets	$ 23,732,117	$ 16,805,642

Liabilities

Notes payable	$ 186,480	$ 1,099,058
Accts. payable	2,879,330	1,717,440
Costs in exc. of amts. recov.	1,103,587	—
Accrued commissionns	343,443	149,666
Accrued payroll	419,819	443,077
Accrued interest	208,072	92,954
Accrued inc. taxes	—	157,558
Accrued taxes	93,765	118,688
Other liabilities	704,794	487,310
Curr. Liabilities	$ 5,939,290	$ 4,265,751
Long-term debt	8,499,735	4,472,533
Deferred inc. taxes	433,849	301,460
+ Common stock	479,404	442,746
Add. paid-in capital	5,174,978	3,916,649
Retained earnings	3,204,861	3,406,503
Total Liabilities & Shareholders' Equity	$ 23,732,117	$ 16,805,642

*At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.76	8.05
%Net Income to Sales	2.89	5.84
%Net Income to Equity	9.72	19.38
Sales to Inventories	3.36	5.06
Working Capital	$ 11,040,089	$ 7,141,409
Current Ratio	2.86	2.67
Shareholders' Equity	$ 8,859,243	$ 7,765,898

Ranco Incorporated

701 West Fifth Avenue
P.O. Box 8369
Columbus, Ohio 43201
(614) 294-3511

Officers: R.J. Grosh, chairman of the board & chief exec. officer; W.A. Chapman, president & chief operating officer; R.B. Robert, executive v.p.-finance & administration; R.E. Watson, executive v.p.-planning; H.A. Baker, executive v.p.-int'l operations; M.H. Reissig, treasurer & asst. secretary; E.A. Schrag, Jr., secretary; A.V. Ober, asst. treasurer.

Directors: R.J. Grosh, W.A. Chapman, D. Ginsburg, Jorg Mittelsten Scheid, B. Balders, R.J. Kegerreis, W.E. Mahaffay, R.E. Raney, R.B. Robert, R.E. Watson.

Areas of Work: Designs, manufactures and markets environmental comfort, convenience, and safety control devices and systems automatically regulating temperature, pressure, time sequencing, current flow and humidity.

Subsidiaries:

Teccor Electronics, Inc.
Ranco Controls, Canada, Limited
Ranco Controls Europe
Ranco Controls Limited
Bodmin Precision Components Limited
Ranco Electronics Europe Limited
Deutsche Ranco GmbH
Ranco Italian Controls Incorporated
Apparecchi di Controllo Ranco S.R.L.
Ranco de Mexico, S.A. de C.V.
Electronic Control Corporation de Mexico S.A.
Ranco France S.A.
Ranco Export Corporation
Controles Automaticos S.A.
Ranco Japan Limited (45% owned)

Acquisition(s):

Teccor Electronics, Inc.
Dallas, Texas

Develops, manufactures and markets power semiconductors, traics, silicon rectifiers, precision voltage regulators, solid-state relays and switches; variable speed controls, solid-state motor speed controls.

Transfer Agent(s):

BancOhio National Bank
Columbus, Ohio

The Chase Manhattan Bank
New York, New York

Stock Exchange(s): New York

Ticker Symbol: RNI

Number of Employees:

1980	5,300	1977	5,400
1979	6,200	1976	5,200
1978	5,400		

Sales and Earnings

	Net Sales	Net Income †
1980	$ 179,418,000	$ 3,862,000
1979	157,281,000	9,055,000
1978	141,783,000	8,421,000
1977	128,067,000	7,283,000
1976	107,173,000	5,128,000

	No. of Com. Shares	Earn. per Share † #
1980	3,497,451	$1.11
1979	3,494,598	2.57
1978	2,446,371	2.29
1977	2,446,171	2.01
1976	2,398,583	1.43

(Loss)
† Including extraordinary gain of $722,000 ($0.30 per share) in 1976.
# Based on the average number of common shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1980	1979
Automotive	11.8%	24.1%
Residential & bldg. comfort control	25.8	27.0
Commercial refrigeration	20.0	20.3
Household refrigeration	22.5	20.8
Other	19.9	7.8
Total	100%	100%

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.84	—	—
1979	0.76	—	3-for-2
1978	0.693	—	—
1977	0.48	—	—
1976	0.307	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 55,569,000	$15.89
1979	54,599,000	15.62
1978	51,849,000	14.13
1977	45,968,000	12.53

+ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Sept. 30	1980	1979
Net sales	$ 179,418	$ 157,281
Cost of sales	145,186	126,678
Expenses	28,546	23,721
Interest expense	4,680	2,370
Other income	(1,111)	(1,627)
Inc. from sale of facil.	(863)	(4,999)
Income before taxes	$ 2,980	$ 11,138
Income taxes	369	2,515
Minority taxes	(1,251)	(432)
Net Income	$ 3,862	$ 9,055

* Included in Costs and Expenses, Depreciation and Amortization: $5,006,000 in 1980 and $3,335,000 in 1979.

Assets
(000's)

As of Sept. 30	1980	1979
Cash & short-term invest.	$ 1,801	$ 1,089
Accts. receiv., net	31,912	32,498
Refund inc. tax	2,986	—
* Inventories	45,380	39,275
Prepaid expenses	3,617	1,972
Current Assets	$ 85,696	$ 74,834
Investments	10,842	9,776
# Fixed assets	33,529	27,168
Other assets	4,662	4,898
Total Assets	$ 134,729	$ 116,676

Liabilities
(000's)

Long-term debt, curr.	$ 1,185	$ 1,044
Bank loans	12,350	5,535
Accts. payable	12,934	12,655
Accruals	6,516	7,708
Accrued payroll	9,083	7,423
Income taxes	1,444	2,201
Curr. Liabilities	$ 43,512	$ 36,566
Long-term debt	29,862	20,936
Deferred inc. taxes	4,441	3,650
Other liab.	1,345	925
+ Common stock	9,494	9,494
Add. paid-in capital	879	884
Retained earnings	50,297	49,371
Treasury stock	(5,101)	(5,150)
Total Liabilities & Shareholders' Equity	$ 134,729	$ 116,676

*At lower of cost (LIFO or FIFO) market.
# Less accumulated depreciation.
+ $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.66	7.08
%Net Income to Sales	2.15	5.76
%Net Income to Equity	6.95	16.58
Sales to Inventories	3.95	4.00
Working Capital	$ 42,184,000	$ 38,268,000
Current Ratio	1.97	2.05
Shareholders' Equity	$ 55,569,000	$ 54,599,000

Raven Industries, Inc.

205 E. 6th Street
Sioux Falls, South Dakota 57117
(605) 336-2750

Mailing address:

Box 1007
Sioux Falls, South Dakota 57117

Officers: David A. Christensen, president & chief executive officer; Murry B. Stevens, vice president & treasurer; Gary L. Conradi, v.p.-corp. services; Curtis I. Twedt, v.p.-Plastics Div.; James A. Winker, v.p.-Applied Technology Div.; James R. Salzenstein, David L. Stavig, v.p.'s-Sportswear Div.; Ronald M. Moquist, v.p.-Electronics Systems Div.; Joseph J. Kaliszewski, secretary; Arnold J. Thue, controller.

Directors: John H. Burg, David A. Christensen, Albert C. Gage, John E. Griffin, Conrad J. Hoigaard, Cyrus J. Hoigaard, W. Ray Laird, Jr., Robert G. May, John C. Skoglund.

Divisions:

Electronic Systems Division
Products include batch weighing, control and inventory systems; turbine helicopter auto-restart units, audio amplifiers, industrial annuniciators, turbine engine speed controls, turbine engine test sets. FAA radio beacon monitor alarms, telemetry systems, U.S. Government electronic assemblies, electronic agricultural and industrial products and printed circuit assembly services.

Sportswear Division
Products include the "Swing West" line of ski clothing. "Raven" line of snowmobile suits and general outerwear. ''Comfy'', down insulated garments, ''AFRC'' cross country ski clothing, as well as private label garments.

Plastics Division
Products include fiberglass and polyethylene tanks for agricultural, industrial and water conditioning use and custom fabricated fiberglass parts and designs for water and sewage treatment markets, and the construction and machinery markets.

Applied Technology Division
Products and services include plastics tarpaulins, hot air sport ballons, high altitude research ballons, heavy load lifting ballons, decelerators (parachutes), contract engineering and research, water skiing kites, hot air blimps, and AdverBlimps.

Transfer Agent(s):

Northwestern National Bank of Minneapolis
Minneapolis, Minnesota

Northwestern Trust Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: RAV

Number of Employees:

1981	808	1978	969
1980	1,066	1977	679
1979	1,093		

Sales and Earnings

	Net Sales	Net Income
1981	$ 32,970,226	$ 585,348
1980	38,383,134	1,833,161
1979	32,498,024	1,543,576
1978	27,512,147	1,264,056
1977	22,230,299	900,340

	No. of Com. Shares †	Earn. per Share ‡
1981	1,217,478	$0.48
1980	1,204,653	1.50
1979	1,185,161	1.27
1978	1,158,818	1.07
1977	1.138,558	0.79

† Adjusted to reflect stock dividends.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1981	1980
Plastics division	$ 8,464,000	$ 9,686,000
Sportswear division	15,264,000	19,638,000
Applied technology division	5,803,000	6,121,000
Electronic systems division	3,437,000	2,935,000
Other	2,000	3,000
Total	$ 32,970,000	$ 38,383,000

Common Stock

	Cash Dividend	+ Stock Dividend	Stock Split
1981	$0.36	5% + 5%	—
1980	0.36	—	—
1979	0.31	—	—
1978	0.27	—	—
1977	0.20	—	—

+ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1981	$ 9,550,343	$7.84
1980	9,372,015	7.78
1979	7,919,029	6.68
1978	6,662,252	5.75
1977	5,640,354	4.95

‡ Adjusted to reflect stock dividends.

Income Account *

Year ended Jan. 31	1981	1980
Net Sales	$ 32,970,226	$ 38,383,134
Cost of sales	28,435,993	28,482,392
Expenses	6,539,922	6,005,054
Interest expense	1,264,733	1,315,457
Other income	(245,170)	(164,265)
Gain on sale	—	(248,015)
Income before taxes	$ 974,748	$ 2,992,511
Income taxes	389,400	1,159,350
Net Income	$ 585,348	$ 1,833,161

* Included in Costs and Expenses, Depreciation: $937,821 in 1981 and $837,276 in 1980.

Assets

As of Jan. 31	1981	1980
Cash	$ 352,487	$ 287,180
Accts. receiv., net	4,877,143	7,716,080
*Inventories	8,440,229	9,963,486
Prepaid expenses	198.332	188,918
Current Assets	$ 13,868,191	$ 18,155,664
#Fixed assets	4,038,266	4,537,828
Other assets	258,703	179,665
Total Assets	$ 18,165,160	$ 22,873,157

Liabilities

Notes payable	$ —	$ 3,000,000
Long-term debt, curr.	589,931	568,948
Accts. payable	1,509,407	2,305,116
Accruals	1,289,957	1,954,470
Income taxes	82,141	56,565
Customer advances	176,082	141,668
Curr. Liabilities	$ 3,647,518	$ 8,026,767
Long-term debt	4,725,299	5,281,675
Deferred income taxes	242,000	192,700
+Common stock	1,217,478	1,095,536
Add. paid-in capital	995,407	219,334
Retained earnings	7,337,458	8,066,247
Treasury stock	—	(9,102)
Total Liabilities & Shareholders' Equity	$ 18,165,160	$ 22,873,157

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.96	7.80
%Net Income to Sales	1.78	4.78
%Net Income to Equity	6.13	i9.56
Sales to Inventories	3.91	3.85
Working Capital	$ 10,220,673	$ 10,128,897
Current Ratio	3.80	2.26
Shareholders' Equity	$ 9,550,343	$ 9,372,015

Raychem Corporation

300 Constitution Drive
Menlo Park, California 94025
(415) 361-3333

Officers: Paul M. Cook, president; Robert M. Halperin, executive vice president; James B. Spradling, W. Rosse Heslop, Harry O. Postlewait, Robert J. Saldich, William A. Berry, Frederick M. Grafton, Gerald R. Delaney, Joachim H. Ohme, Albert F. Haussener, vice presidents; Isaac Stein, v.p., secretary & treasurer.

Directors: Raymond F. Baddour, Wiliam K. Bowes, Jr., Robert B. Engel, Jerome B. Weisner, Detlev K. Rohwedder, Paul M. Cook, Robert M. Halperin, J. Kenneth Jamieson, Richard W. Muchmore.

Areas of Work: Engaged in the development, manufacture and sale of high performance plastic and elastomeric insulation products and systems. The special properties of its products generally are achieved through radiation chemistry. In addition, the company manufactures and sells fiberglass reinforced electrical insulating sleeving products and electrical heating elements.

Subsidiaries:

Bentley-Harris Manufacturing Company
241 Welsh Pool Road
Lionville, Pennsylvania 19353
(215) 363-2600

Chemelex, Inc.
2555 Bay Road
Redwood City, California 94063
(415) 329-3333

Transfer Agent(s):

First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: RAYC (NASDAQ)

Number of Employees:

1980	7,850	1977	4,800
1979	6,700	1976	4,400
1978	5,300		

Plant Footage:

1980	3,272,000 sq.ft.	1977	2,300,000
1979	3,272,000	1976	2,300,000
1978	2,796,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 462,377,000	$ 36,488,000
1979	338,099,000	29,596,000
1978	238,083,000	17,746,000
1977	177,482,000	12,450,000
1976	171,332,000	3,516,000

	No. of Com. Shares #	Earn per Share #
1980	8,655,253	$4.22
1979	8,445,054	3.50
1978	8,290,962	2.14
1977	8,195,898	1.52
1976	7,950,960	0.44

# Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.325	—	2-for-1
1979	0.205	—	—
1978	0.12	—	3-for-1

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 207,642,000	$23.99
1979	165,630,000	19.61
1978	133,078,000	16.05
1977	113,161,000	13.81
1976	98,905,000	12.44

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended June 30	1980	1979
Net Sales	$ 462,377,000	$ 338,099,000
Cost of sales	227,522,000	159,014,000
Expenses	163,529,000	122,065,000
Interest expense	9,483,000	4,455,000
Income before taxes	$ 61,843,000	$ 52,565,000
Income taxes	25,355,000	22,969,000
Net Income	$ 36,488,000	$ 29,596,000

* Included in Costs and Expenses, Depreciation and Amortization: $15,163,000 in 1980 and $11,118,000 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 10,125,000	$ 20,872,000
Accts. receiv., net	105,529,000	74,534,000
* Inventories	122,299,000	91,577,000
Prepaid expenses	16,544,000	10,906,000
Current Assets	$ 254,497,000	$ 197,889,000
# Fixed assets	147,047,000	106,367,000
Other assets	2,365,000	2,534,000
Total Assets	$ 403,909,000	$ 306,790,000

Liabilities

Notes payable	$ 82,987,000	$ 47,857,000
Long-term debt, curr.	1,611,000	3,590,000
Accts. payable	26,018,000	23,230,000
Accruals	37,134,000	30,204,000
Income taxes	25,896,000	19,844,000
Curr. Liabilities	$ 173,646,000	$ 124,725,000
Long-term debt	8,899,000	5,832,000
Deferred inc. taxes	13,722,000	10,603,000
+ Common stock	73,057,000	64,715,000
Retained earnings	134,585,000	100,915,000
Total Liabilities & Shareholders' Equity	$ 403,909,000	$ 306,790,000

* At lower of cost (approx. FIFO & average) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	13.38	15.55
%Net Income to Sales	7.89	8.75
%Net Income to Equity	17.57	17.87
Sales to Inventories	3.78	3.69
Working Capital	$ 80,851,000	$ 73,164,000
Current Ratio	1.47	1.59
Shareholders' Equity	$ 207,642,000	$ 165,630,000

Raymond Industries Inc.

217 Smith Street
Middletown, Connecticut 06457
(203) 632-1800

Officers: George B. Raymond, chairman of the board, president and chief executive officer; Joseph G. Lombardo, executive vice president; Hugh L. Cox, John D. Heinzmann, Edward G. Anderson, vice presidents; Donald Bidwell, v.p.-finance & secretary-treasurer.

Directors: John D. Heinzmann, George B. Raymond, James J. Preble, Richard L. Raymond, Hugh L. Cox, Joseph G. Lombardo, Phil A. Petit, Lloyd W. Elston.

Subsidiaries:

Safeway Products Inc.
440 Middlefield Street
Middletown, Connecticut 06457
(203) 346-6601

Manufactures flexible and rigid resistance and conductive etched circuits for heating or current carrying applications. Also produces custom manufactured, honeycomb core laminated panels.

Rapidprint Inc.
2055 South Main Street, Extension
Middletown, Connecticut 06457
(203) 346-9283

Manufactures electric time, date and numbering stamps. Product line also includes check endorsers, time clocks and job recorders. Also wholesales line of electronic and pneumatic timing devices and telephone interrrupters.

Teleco Oilfield Services Inc. (35.6% owned)
2081 South Main Street
Middletown, Connecticut 06457
(203) 632-1133

Provides a measurement-while-drilling service to drillers of oil and gas wells from offshore platforms by gathering directional information and transmitting into the surface without interrupting drilling operations.

Raymond Engineering Inc.
217 Smith Street
Middletown, Connecticut 06457
(203) 632-1000

Manufactures products in the following areas: ordnance products, military tape recorders, commercial avionics products, commercial magnetic tape transport and precision torquing devices.

Transfer Agent(s):

Manufacturers Hanover Trust Company
Four New York Plaza
New York, New York 10015

Stock Exchange(s): American

Ticker Symbol: RAE

***Number of Employees:** . . . . . .

1980	850	1978	829
1979	865		

***Plant Footage:**

1980	287,000 sq. ft.	1979	287,000

* Excludes affiliate.

Sales and Earnings

	Net Sales	Net Income
1980	$ 43,984,000	$ 5,508,000
1979	34,668,000	1,489,000
1978	31,566,000	1,176,000
1977	29,550,000	1,752,000
1976	21,413,000	960,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	954,000	$5.77
1979	1,048,000	1.42

Raymond Industries Inc.

1978	1,046,000	1.12
1977	931,000	1.88
1976	880,000	1.09

‡ Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1980	1979	1978	1977
Raymond Engineering:				
Tape drives	29%	21%	25%	24%
Safing, arming & fusing devices	26	28	27	28
Other	7	7	6	9
Safeway:				
Heating prods. & honeycomb panels	25	29	27	26
Rapidprint:				
Time recording equip. & tele. interrupters	13	15	15	13
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.50	—	—
1979	0.41	—	—
1978	0.40	—	—
1977	0.39	—	4-for-3
1976	0.34	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 15,659,000	$16.41
1979	14,489,000	13.83
1978	11,608,000	11.10
1977	7,114,000	7.64
1976	7,176,115	8.15

‡ Based on the average number of shares outstanding.

Income Account
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 43,984	$ 34,668
Cost of sales	32,526	25,321
Selling, gen. & adm.	7,375	5,732
Depreciation & amortization	685	626
Interest expense	1,127	604
Income before taxes	$ 2,271	$ 2,385
Income taxes	992	1,120
Gain on exch.	(2,956)	—
Equity in earnings of affiliate	(1,273)	(224)
Net Income	$ 5,508	$ 1,489

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 459	$ 494
Accts. receiv., net	5,701	4,362
* Inventories	10,317	9,989
Other curr. assets	196	185
Current Assets	$ 16,673	$ 15,030
Investments	4,866	4,691
# Fixed assets	6,275	5,447
Defer. taxes	534	86
Other assets	1,635	3,088
Total Assets	$ 29,983	$ 28,342

Liabilities
(000's)

Long-term debt, curr.	$ 243	$ 266
Accts. payable	1,829	1,774
Accruals	691	508
Accrued payroll	697	695
Dividends payable	115	115
Income taxes	367	217
Curr. Liabilities	$ 3,942	$ 3,575
Long-term debt	9,643	9,722
Deferred liabilities	739	556
+ Common stock	1,062	1,042
Add. paid-in capital	6,700	6,142
Retained earnings	12,354	7,305
Treasury stock	(4,457)	—
Total Liabilities & Shareholders' Equity	$ 29,983	$ 28,342

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.16	6.88
%Net Income to Sales	12.52	4.30
%Net Income to Equity	35.17	10.28
Sales to Inventories	12,731,000	11,455,000
Current Ratio	4.23	4.20
Shareholders' Equity	$ 15,659,000	$ 14,489,000

Raytheon Company

141 Spring Street
Lexington, Massachusetts 02173
(617) 862-6600

Officers: Thomas L. Phillips, chairman & chief executive officer; D. Brainerd Holmes, president; Albert H. Bryan, Jr., v.p.-corporate development; Ronald B. Campbell, Jr., v.p.-research & development; Herbert Deitcher, v.p.-international financing; Palmer Derby, v.p.-new business analysis; James F. Dinneen, v.p.-government relations; Francis S. Fox, v.p.-public & financial relations; Everette L. Harper, v.p.-corporate operations, Washington, D.C.; E. Leonard Kane, v.p.-industrial relations; Aldo R. Miccioli, sr. v.p.; John R. Pasquariello, v.p.-manufacturing; Phillip A. Phalon, v.p.-international affairs; Charles H. Resnick, v.p., secretary & general counsel; Arthur V. Schene, v.p. & controller; Roert L. Seaman, v.p.-planning; Joseph F. Shea, sr. v.p.-engineering; G. Richard Westin, v.p. & treasurer; James M. Hill, Jr., director, procurement; Stephen W. Rowen, director, government contracts; Anthony Abate, Dean E. Bensley, John D. Clare, Francis M. Dowd, Mike W. Fossier, Francis W. Heintz, Charles E. Jacobs, Jr., Eric M. Levi, Justin M. Margolskee, Ralph A. Martin, Charles I. Mullaney, Dennis J. Picard, John P. Shanley, Sidney Stark, James S. Walsh, Floyd T. Wimberly, D.R.A. Steadman, v.p.'s; O.A. Beech, chairman-Beech Aircraft Corp., Edward C. Burns, president-Beech Aircraft Corp., John B. Byers, president-Iowa Manufacturing Co., Thomas M. Dahl, chairman, United Engineers & Constructors Inc., Luther Davis, Jr., general manager-research division; Charles J. Dockery, president-Raytheon Marine CO., Raymond J. Dowling, president-Caloric Corp.; George C. Foerstner, chairman-Amana Refrigeration, Inc.; Frank E. Hedrick, vice chairman-Beech Aircraft Co.; William C. Jones, president-Switchcraft, Inc.; Loren A. Korte, president-D.C. Heath & Co.; William H. Lord, president-United Engineers & Constructors Inc.; Alex A. Meyer, president-Amana Refrigeration, Inc.; Philip H. Seaver, president-The Badger Company, Inc.; Rulon G. Shelley, sr. v.p.; Robert E. Siegfried, chairman-The Badger Company, Inc.

Directors: Thomas L. Phillips, chairman; O.A. Beech, Frank E. Hedrick, Charles F. Adams, Harvey Brooks, James Neville Land, Jr., Richard D. Hill, William J. Hogan, D. Brainerd Holmes, Gordon B. Jones, Colman M. Mockler, Jr., Albert L. Nickerson, Francis H. Burr, Joseph J. Sisco.

Areas of Work: Engaged in the design, engineering, manufacture and servicing of advanced electronic devices, equipment, and systems for both commercial and government customers. Energy services include geophysical exploration and the design, engineering and construction of refineries, petrochemical facilities, and electrical generating plants. Manufactures and markets consumer appliances, and heating and cooling equipment. Also designs and manufactures aircraft used primarily for business flying.

Divisions, Subsidiaries & Affiliates:

D.C. Heath and Company
New York, New York
Lexington, Massachusetts
Indianapolis, Indiana

Produces and distributes textbooks and coordinated instructional materials, science learning apparatus and Caedmon spoken-word recordings.

Seismograh Service Corporation
Tulsa, Oklahoma

Geophysical exploration, radio positioning, oil well logging services; oil industry control communications.

The Badger Company, Inc.
Cambridge, Massachusetts
Houston, Texas
New York, New York
Tampa and Lakeland, Florida

Design, engineering and construction of petroleum, coal, petrochemical, chemical and fertilizer processing plants.

Amana Refrigeration, Inc.
Amana, Iowa
Fayetteville, Tennessee

Electric ranges, refrigerators, freezers, room and central air conditioners, heat pumps, microwave ovens.

Mirowave and Power Tube Division
Waltham, Burlington & Quincy, Mass.
Stamford, Connecticut
Chicago, Illinois

Microwave tubes; solid state microwave devices; lasers; broadcast and X-ray tubes; power supplies; industrial microwave heating systems; transformers; receiving and industrial tubes; particle accelerators; electronic hardware; night vision devices, molded plastic products, image intensifiers, light amplifier tubes, infrared detectors, medical electronics.

Caloric Corporation
Topton, Pennsylvania

Gas and electric ranges, microwave ovens, dishwashers, and related kitchen products.

Equipment Division
Norwood, Sudbury, Wayland, and Waltham,
Massachusetts

Surface and shipboard radar and navigation systems; military communications; radar instrumentation; air traffic control systems, data display systems; spacecraft guidance computers; missile guidance electronics; photogrammetry; mapping services, software systems, vehicle traffic control systems.

Semiconductor Division
Mountain View, California

Transistors, diodes, and microelectric circuits.

Raytheon Data Systems Company
Norwood, Massachusetts

General-purpose computers, memories, peripheral equipment. Microwave communications equipment and systems; voice, data and relays; digital information display systems and information handling systems.

Raytheon Marine Company
Manchester, New Hampshire

Marine radars, depth sunders, radiotelephones, direction finders, and related navigation aids.

Sorensen Company
Manchester, New Hampshire

Power supplies, power regulating equipment, precision welders, ultrasonic grinders.

Research Division

Materials and components for electronics.

Missile Systems Division
Bedford, Andover and Lowell, Massachusetts
Bristol, Tennessee
Oxnard, California

Air defense and tactical airborne systems; related radar, command and control systems, avionics.

Electromagnetic Systems Division
Santa Barbara, California
Re-entry systems, electronic counter-measures.

Submarine Signal Division
Portsmouth, Rhode Island
Anti-submarine warfare systems, submarine and airborne sonar, transducers, ocean systems and equipment.

Raytheon Service Company
Burlington, Massachusetts
Installation and maintenance of electronic systems and equipment; education and training.

Switchcraft, Inc.
Chiago, Illinois
Paxton, Illinois
Sulliva, Illinois
Switches, jacks, plugs and connectors and audio accessory components.

El-jay, Inc.
Eugene, Oregon
Stationary and portable cone-type rock crushing machinery.

Iowa Manufacturing Co.
Cedar Rapids, Iowa
Aggregate producing and asphalt mixing plants and paving equipment.

United Engineers & Constructors Inc.
Philadelphia, Pennsylvania
Boston, Massachusetts
Design, engineering and construction of conventional and nuclear power facilities and general industrial plants.

Raytheon Canada Limited
Waterloo, Ontario, Canada
Surface and shipboard radar and navigation systems; military communications, air traffic control systems, data display systems, shipboard defense systems.

Cossor Electronics Limited
Harlow, Essex, England
Air traffic control radar, transponders, marine equipment, VHG radios, instruments, displays.

Greengate Cables Ltd.
Manchester, England
Welding and power cables.

Le Fil Dynamo S.A.
Lyon, France
Winding wire.

Klasing G.m.b.H. & Co.
Ingolstadt, West Germany
Braided fine wire and small-diameter cable.

Lacroix & Kress G.m.b.H. & Co.
Bramsche, West Germany
Ultra-fine wire.

Sterling Cable Company Ltd.
Aldermaston, Berkshire, England
Electric power cables for military and industrial use.

TAG Semiconductos Ltd.
Zurich, Switzerland
Semiconductor devices.

The Kuras Alterman Corporation
Electronic countermeasures.

Data Logic Ltd.
England
Computer software and systems.

Electrical Installations Ltd.
England
Commercial installation of electrical systems.

Lexitron Corp.
Word-processing systems.

SEDCO Systems, Inc.
Ferrite components; phased array antennas for electronic countermeasures.

Acquisition(s):

Modern Maid Company
Manufactures cook tops and built-in ovens.

Speed Queen Company
Manufactures laundry appliances.

Beech Aircraft Corporation
Manufactures, markets, and services light aircraft.

Transfer Agent(s):

The First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): New York, Pacific & Midwest

Ticker Symbol: RTN

Number of Employees:

1980	77,900	1977	57,810
1979	67,200	1976	52,957
1978	63,600		

Plant Footage:

1980	19,896,000 sq.ft.	1977	13,946,000
1979	19,500,000	1976	13,946,000
1978	13,946,000		

Sales and Earnings ‡

	Net Sales (000's)	Net Income (000's)
1980	$ 5,002,100	$ 282,300
1979	4,354,200	240,300
1978	3,786,700	186,600
1977	3,262,800	141,600
1976	2,825,600	106,500

	No. of Com. Shares #	Earn. per Share #
1980	41,507,000	$6.80
1979	41,255,000	5.83
1978	41,035,000	4.55
1977	40,797,000	3.47
1976	40,498,000	2.63

‡ Restated to include operations of companies acquired on a pooling of interests basis.
# Based on weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1980	1979
Electronics	$ 2,414,000	$ 2,134,000
Aircraft prods.	756,000	626,000
Energy services	884,000	832,000
Major appliances	643,000	487,000
Other	305,000	275,000
Total	$ 5,002,000	$ 4,354,000

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$2.10	—	—
1979	1.70	—	—
1978	1.30	—	—
1977	1.00	—	2-for-1
1976	0.575	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity †

	Total Equity (000's)	Equity Per Share ‡
1980	$ 1,303,600	$31.27
1979	1,086,500	26.60
1978	892,600	22.24
1977	739,500	18.80
1976	630,000	16.24

† Restated to include operations of companies acquired on a pooling of interests basis.
‡ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1980	1979 ‡
Net sales	$ 5,002,088	$ 4,354,238
Cost of sales	4,000,579	3,515,826
Expenses	590,892	495,780
Interest expense	19,107	12,910
Interest income	(77,993)	(85,752)
Other income	(9,982)	(2,403)
Income before taxes	$ 479,485	$ 417,877
Income taxes	197,228	177,537
Net Income	$ 282,257	$ 240,340

* Included in Costs and Expenses, Depreciation and Amortization: $143,344,000 in 1980 and $117,047,000 in 1979.
‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets
(000's)

As of Dec. 31	1980	1979 ‡
Cash	$ 15,718	$ 22,711
Marketable securities	510,891	639,185
Accts. receiv., net	516,705	464,228
Contracts in progress	301,334	153,223
* Inventories	687,936	614,496
Prepaid expenses	11,033	15,330
Current Assets	$ 2,043,617	$ 1,909,173
# Fixed assets	712,463	575,123
Other assets	172,455	139,910
Total Assets	$ 2,928,535	$ 2,624,206

Liabilities
(000's)

Notes payable & long-term debt, curr.	$ 60,834	$ 60,036
Accts. payable	251,002	228,387
Advance payments	498,208	562,924
Accrued payroll	119,332	99,794
Income taxes	441,756	348,280
Other accruals	176,722	152,658
Curr. Liabilities	$ 1,547,854	$ 1,452,079
Long-term debt	77,085	85,645
+ Common stock	52,104	51,066
Add. paid-in capital	156,638	132,414
Retained earnings	1,094,854	903,002
Total Liabilities & Shareholders' Equity	$ 2,928,535	$ 2,624,206

‡ Restated to include operations of companies acquired on a pooling of interests basis.
* At cost (FIFO or average), but not in excess of net realizable value. Aircraft prods. inventories are stated at lower of cost (LIFO) or market. Work in process stated at total cost incurred reduced by est. costs of units delivered.
# Less accumulated depreciation.
+ $1.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.59	9.60
%Net Income to Sales	5.64	5.52
%Net Income to Equity	21.65	22.12
Sales to Inventories	7.27	7.09
Working Capital	$ 495,763,000	$ 457,094,000
Current Ratio	1.32	1.31
Shareholders' Equity	$1,303,596,000	$1,086,482,000

RCA Corporation

30 Rockefeller Plaza
New York, New York 10020
(212) 621-6000

RCA Corporation

Officers: Thornton F. Bradshaw, chairman of the board and chief executive officer; Frank T. Alfieri, executive v.p.-finance; Eugene E. Beyer, Jr., exec. v.p. and genral counsel; Charles C. Ellis, exec.v.p.-long range financial planning; George H. Fuchs, exec. v.p.-industrial relations; William C. Hittinger, exec.v.p.-research and engineering; Irving K. Kessler, Julius Koppelman, Frank A. Olson, Roy H. Pollack, exec. v.p.'s; Herbert S. Schlosser, exec. v.p.-"SelectaVision" Video Discs; Eugene F. Murphy, Jack K. Sauter, James Vollmer, group v.p.'s; Stephen S. Barone, sr. v.p.-licensing; Rocco M. Laginestra, sr. v.p.-planning, marketing and international; James M. Alic, v.p.-electronic services and VideoDisc planning; John H. Bermingham, v.p. and general attorney; Melvin Cornfield, v.p.and treasurer; George A. Fadler, v.p.-corporate services; Andrew F. Inglis, v.p.; Joseph W. Karoly, v.p.-special projects; J. Thomas Kennedy, v.p.-auditing; Robert F. Maddocks, v.p.-organization and management resources; Francis L. McClure, v.p.-personnel operations; Robert S. Pepper, v.p. and general manager-Solid State Division; John V. Regan, v.p.-patent operations; S.N. Roseberry, Jr., v.p. and controller; Raymond L. Scherer, v.p.-Washington; Leslie Slote, v.p.-corporate communications; William M. Webster, v.p.-RCA Laboratories; William P. Alexander, secretary.

Directors: Thornton F. Bradshaw, Robert Cizik, George H. Fuchs, I. Owen Funderburg, Edgar H. Griffiths, William C. Hittinger, Walter S. Holmes, Jr., Julius Koppelman, Peter G. Peterson, John R. Petty, Roy H. Pollack, Cecily C. Selby Andrew C. Sigler, Donald B. Smiley, Frank A. Olson.

Areas of Work: Engaged in the research, manufacture, distribution, sale, lease and servicing of consumer electronic products, including television, home video disc products, records and recorded tapes; commercial electronic products, including solid-state devices, commercial systems, and tubes and components; space and military electronic equipment. It is also engaged in furnishing network television and radio services and equipment and operating television and radio stations; furnishing overseas voice/record communiations services and domestic communications satellite services; licensing patents and providing technical know-how; renting and leasing automobiles and trucks; manufacturing and selling carpets; and conducting other activities related to the foregoing. Through C.I.T. Financial Corporation, a diversified finacial services organization, and its subsidiaries, RCA is also engaged in providing financial services in the fields of consumer financing, industrial financing and leasing, factoring and commercial financing, life and health insurance; and in the manufacture, sale and distribution of medical equipment, and other paper products, and electrical outlet boxes and fittings.

Divisions:

Consumer Electronics
600 North Sherman Drive
Indianapolis, Indiana 46201
(317) 267-5000

Distributor and Special Products Division
2000 Clements Bridge Road
Deptford, New Jersey 08096
(609) 541-3636

RCA Records
1133 Avenue of the Americas
New York, New York 10036
(212) 930-4300

Solid State Division
Route 202
Somerville, New Jersey 08876
(201) 685-6000

Picture Tube Division
New Holland Avenue
Lancaster, Pennsylvania 17604
(717) 397-7661

Government Systems Division
Marne Highway and Borton Landing Road
Moorestown, New Jersey 08057
(609) 541-7000

Commercial Communications Systems Division
Front and Cooper Streets
Camden, New Jersey 08102
(609) 338-3000

RCA Laboratories
David Sarnoff Research Center
Princeton, New Jersey 08540
(609) 452-2700

RCA Service Company
Route 38
Cherry Hill, New Jersey 08538
(609) 338-3000

RCA Electro-Optics and Devices
New Holland Avenue
Lancaster, Pennsylvania 17604
(717) 397-7661

Subsidiaries:

C.I.T. Financial Corporation
650 Madison Avenue
New York, New York 10022

Coronet Industries, Inc.
Coronet Drive
P.O. Box 1248
Dalton, Georgia 30720
(404) 259-4511

National Broadcasting Company, Inc.
30 Rockefeller Plaza
New York, New York 10020
(212) 664-4444

RCA Distributing Corp.
600 North Sherman Drive
Indianapolis, Indiana 46201
(317) 267-6000

RCA American Communications, Inc.
201 Centennial Avenue
Piscataway, New York 08854
(201) 885-4000

RCA Global Communications, Inc.
60 Broad Street
New York, New York 10040
(212) 248-2121

RCA Sales Corporation
600 North Sherman Drive
Indianapolis, Indiana 46201
(317) 267-6000

The Hertz Corporation
660 Madison Avenue
New York, New York 10021
(212) 980-2121

RCA International Development Corporation
30 Rockefeller Plaza
New York, New York 10020
(212) 598-5900

Transfer Agent(s):

RCA Corporation
30 Rockefeller Plaza
New York, New York 10020

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Stock Exchange(s): New York, Midwest, Pacific, Boston, Cincinnati, Phila-Balt-Wash.

Ticker Symbol: RCA

Number of Employees:

1980	133,000	1977	111,000
1979	120,000	1976	110,000
1978	118,000		

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1980	$ 8,011,300	$ 315,300
1879	7,454,600	283,800
1978	6,600,600	278,400
1977	5,880,900	247,000
1976	5,328,500	177,400

	No. of Com. Shares	Earn. per Share #
1980	75,164,000	$3.35
1979	74,855,000	3.72
1978	74,739,000	3.65
1977	74,694,000	3.23
1976	74,657,000	2.30

+ Includes other revenue.
# Based on average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Electronics - consumer products & services	$ 1,318,900	$ 1,166,500
Electronics-commercial products & services	1,278,500	1,111,600
Electronics-System & Services	767,500	660,100
Broadcasting	1,521,800	1,367,600
Vehicle renting & related services	1,290,200	1,122,100
Communications	253,500	282,000
Other products & services	1,580,900	1,744,700
Total	$ 8,011,300	$ 7,454,600

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.80	—	—
1979	1.60	—	—
1978	1.40	—	—
1977	1.20	—	—
1976	1.00	—	—

Common Stock Equity

	Total Equity ‡ (000's)	Equity Per Share
1980	$ 1,739,558	$21.22
1979	1,624,750	21.70
1978	1,464,034	19.59
1977	1,295,022	17.34
1976	1,142,422	15.30

‡ After allowing for preferred stock at liquidation value of $100 per share.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales & services	$ 8,011,300	$ 7,454,600
Cost of sales & services	6,197,200	5,677,000
Expenses	1,336,900	1,240,300
Equity in earn. of C.I.T.	(227,500)	(16,400)
Interest expenses	268,000	155,800
Other income	(70,600)	(73,600)
Income before taxes	$ 507,300	$ 471,500
Income taxes	192,000	187,700
Net Income	$ 315,300	$ 283,800

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 31,200	$ 70,400
Investments	143,600	135,200
Receiv., net	1,236,500	1,112,500
*Inventories	564,900	701,200
Prepaid expenses	536,300	582,100
Invest. in assets held for sale	208,100	—
Rental autos of Hertz	682,700	628,400
Current Assets	$ 3,403,300	$ 3,229,800
#Fixed assets	1,368,600	1,279,100
Rev.-earning equip.	764,200	592,400
Other assets	1,611,500	957,000
Total Assets	$ 7,147,600	$ 6,058,300

Liabilities
(000's)

Notes payable	$	117,900	$	243,700
Hertz debt		475,400		484,200
Accts. payable and accruals		1,494,700		1,338,000
Dividends payable		67,000		32,600
Income taxes		122,200		133,300
Curr. Liabilities	$	2,277,200	$	2,231,800
Long-term debt (Hertz)		686,900		441,000
Other long-term debt		1,084,300		1,033,200
Deferred inc. taxes & other liabilities		332,900		592,500
+ Pref. stock with mand. redemp.:				
$3.65 cumulative		216,300		—
2.125 cum. convert.		2,300		—
+ Preferred stock				
$3.50 cumulative		8,700		2,500
$4 cumulative		—		9,500
+ Common stock		50,200		50,000
Add. paid-in capital		452,500		450,100
Retained earnings		1,348,500		1,247,700
Total Liabilities & Shareholders' Equity	$	7,147,600	$	6,058,300

* At lower of cost (FIFO) or market; domestic inventories at lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	6.33	6.32
%Net Income to Sales	3.94	3.81
%Net Income to Equity	16.93	16.13
Working Capital	$1,126,100,000	$ 998,000,000
Current Ratio	1.49	1.45
Shareholders' Equity	$1,862,200,000	$1,759,800,000

Recognition Equipment Incorporated

2701 East Grauwyler Road
Irving, Texas 75061
(214) 579-6000

Mailing address:

P.O. Box 222307
Dallas, Texas 75222

Officers: Jay Rodney Reese, president: Conrad A. Strelau, sr. v.p.; Israel Sheinberg, group v.p.; William C. Kramp, sr. v.p. & treasurer; Leonard J. Nunley, Richard L. Dunham, sr. v.p.'s; Joe L. Poitevent, Gary F. Hall, Sr., Sigvard Carlefred, v.p.'s; Thomas A. Loose, v.p., secretary & general counsel; Sam L. Densmore, III, controller.

Directors: John Lawrence*, chairman of the board; Trammell Crow*, William C. Kramp, Reid W. Dennis*, Herman L. Philipson, Jr.*, Howard J. Runnion, Jr., Israel Sheinberg, Jay Rodney Reese*, William C. Hittinger.

*Member of Executive Committee.

Areas of Work: Engaged in the design, manufacture, market, and service of a variety of information processing systems employing optical character recognition, magnetic, ink character recognition, image capturing, high-speed paper handling, ink-jet printing and innovative software/hardware integration technologies. Systems are used for data acquisition, document handling and document truncation in such applications as centralized data entry, high-speed document processing, mail processing and distributed data processing.

Subsidiaries:

Recognition Business Systems, Inc.
Irving, Texas

Recognition Equipment (Pacific) Ltd.
Irving, Texas

Recognition Equipment (Canada) Ltd.
Toronto, Canada

Recognition Equipment France, S.A.
Paris, France

Recognition Equipment GmbH
Recognition Equipment Europe GmbH
Frankfurt, West Germany

AB Recognition Equipment Industri
Stockholm, Sweden

Recognition Equipment Italia, S.p.A.
Rome, Italy

Recognition Equipment Nederland, B.V.
Amsterdam, Netherlands

Recognition Equipment Norge A/S
Oslo, Norway

Recognition Equipment (Japan) Inc.
Tokyo, Japan

Recognition Equipment Limited
London, England

Recognition Equipment Europe S.A.
Brussels, Belgium

Recognition Pacific Limited
Hong Kong

Transfer Agent(s):
First National Bank in Dallas
P.O. Box 83652
Dallas, Texas 75283

Stock Exchange(s): New York

Ticker Symbol: REC

Number of Employees:

1980	2,700	1977	1,900
1979	2,500	1976	1,960
1978	2,500		

Plant Footage:

1980	425,000 sq. ft.	1977	225,000
1979	330,000	1976	225,000
1978	255,000		

Sales and Earnings

	Revenues	Net Income ‡
1980	$ 113,102,000	$ 5,416,000
1979	98,249,000	2,634,000
1978	86,711,000	5,595,000
1977	75,145,000	6,867,000
1976	65,274,000	5,570,000

	No. of Com. Shares	Earn. per Share ‡ #
1980	6,002,000	$0.90
1979	5,886,674	0.44
1978	5,851,969	0.94
1977	5,693,794	1.17
1976	5,665,734	0.95

‡ Including extraordinary gains of $35,000 ($0.01 per share) in 1979, $857,000 ($0.14 per share) in 1978, $2,797,000 ($0.48 per share) in 1977 and $2,034,000 ($0.35 per share) in 1976.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 62,906,000	$10.48
1979	56,984,000	9.68
1978	54,670,000	9.34
1977	48,102,000	8.45
1976	41,249,000	7.28

Income Account *
(000's)

Year ended Oct. 31		1980		1979
Revenues	$	113,102	$	98,249
Cost of sales & oper. expenses		71,142		61,428
Research & develop.		8,419		7,992
Selling, general & adm. exp.		22,897		21,323
Oper. profit	$	10,644	$	7,506
For. exch. loss		364		501
Interest expense (income)		9		(662)
Other charges		1,792		740
Prov. for lawsuit		—		1,805
Income before taxes	$	8,479	$	5,122
Income taxes		3,585		2,523
Net Income	$	4,894	$	2,599
Extraord. gain		522		35
Net Income & extraord. gain	$	5,416	$	2,634

* Included in Costs and Expenses, Depreciation: $3,151,000 in 1980 and $4,339,000 in 1979

Assets
(000's)

As of Oct. 31		1980		1979
Cash	$	8,512	$	8,500
Accts. receiv.		25,395		20,882
* Inventories		40,638		26,362
Other assets		1,366		1,542
Current Assets	$	75,911	$	57,286
# Fixed assets		23,458		15,830
Other assets		20,668		13,565
Total Assets	$	120,037	$	86,681

Liabilities
(000's)

Long-term debt, curr. & notes payable	$	10,256	$	2,495
Accts. payable		3,126		3,099
Accruals		7,911		7,086
Customer advances		10,776		5,457
Income taxes		909		1,676
Curr. Liabilities	$	32,978	$	19,813
Long-term debt		19,978		6,672
Deferred inc. taxes		4,175		3,212
+ Common stock		1,519		1,492
Add. paid-in capital		53,029		52,513
Retained earnings		9,054		3,638
Treasury stock		(696)		(659)
Total Liabilities & Shareholders' Equity	$	120,037	$	86,681

Statistical Summary

%Income bef. Taxes to Revenues	7.50	5.21
%Net Income to Revenues	4.33	2.65
%Net Income to Equity	7.78	4.56
Working Capital	$ 42,933,000	$ 37,473,000
Current Ratio	2.30	2.89
Shareholders' Equity	$ 62,906,000	$ 56,984,000

Rectisel Corporation

21 Gray Oaks Avenue
Yonkers, New York 10710
(914) 965-4400

Officers: Robert I. Mendels, president & chairman of the board; Jack D. Weiner, David Mendels, v.p.'s; R.A. Pozzuoli, secretary-treasurer.

Rectisel Corporation

Directors: Robert I. Mendels, Carol Mendels, David B. Mendels.

Divisions:

R.I. Mendels Company
Export electrical components and equipment and acts as export agent for subsidiary.

Component Sales Company
Sales company for electronic components.

Subsidiaries:

Electronic Devices, Inc.
21 Gray Oaks Avenue
Yonkers, New York 10710
Designs, develops, manufactures and sells high-voltage silicon rectifiers (diodes), and related rectifier assemblies for use in color sets, medical instruments, navigation equipment, computers and peripherals, power tools, business machines and other applications.

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, N.J. 07016

Stock Exchange(s): Over-the-Counter

Ticker Symbol: RECT (NASDAQ)

Plant Footage:

1980	45,000 sq. ft.	1977	45,000
1979	45,000	1976	45,000
1978	45,000		

Sales and Earnings

	Net Sales	Net Income †
1980	$ 6,252,000	$ 234,000
1979	6,422,284	293,368
1978	4,751,757	(42,345)
1977	5,094,000	38,000
1976	4,157,000	26,000

	No. of Com. Shares ‡	Earn. per Share ‡ †
1980	949,119	$0.24
1979	1,373,947	0.21
1978	1,433,947	—
1977	1,433,947	0.03
1976	1,433,947	0.02

(Loss)
† Including extraordinary gain of $51,840 ($0.05 per share) in 1980.
‡ Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 1,440,000	$1.52
1979	1,214,405	0.88
1978	921,037	0.64

‡ Based on the weighted average number of common shares outstanding.

Income Account *

Year ended Aug. 31	1980	1979
Net sales	$ 6,252,000	$ 6,422,284
Cost of sales	4,762,000	4,747,400
Expenses	1,205,000	1,187,353
Other income	(99,000)	(82,445)
Income before taxes	$ 384,000	$ 569,976
Income taxes & minority interest	150,000	276,608
Net Income	$ 234,000	$ 293,368

Assets

As of Aug. 31	1980	1979
Cash & cash equiv.	$ 464,000	$ 875,209
Accts. & other receiv.	1,010,000	941,813
* Inventories	741,000	798,107
Prepaid expenses & other assets	24,000	22,702
Current Assets	$ 2,239,000	$ 2,637,831
# Fixed assets	440,000	518,420
Other assets	122,000	110,856
Total Assets	$ 2,801,000	$ 3,267,107

Liabilities

Note payable	$ 170,000	$ 150,000
Accts. payable	489,000	541,531
Income taxes & other accruals	256,000	511,546
Curr. Liabilities	$ 915,000	$ 1,203,077
Long-term debt	402,000	747,203
Deferred inc. taxes	44,000	—
Minority interest	—	102,422
Shareholders' Equity	1,440,000	1,214,405
Total Liabilities & Shareholders Equity	$ 2,801,000	$ 3,267,107

* At lower of cost (parent co. at FIFO; subsid. at LIFO) or market.
# Less accumulated depreciation and amortization.

Statistical Summary

%Income bef. Taxes to Sales	6.14	8.87
%Net Income to Sales	3.74	4.57
%Net Income to Equity	16.25	24.16
Sales to Inventories	8.44	8.05
Working Capital	$ 1,324,000	$ 1,434,754
Current Ratio	2.45	2.19
Shareholders' Equity	$ 1,440,000	$ 1,214,405

Redcor Corporation

940 Detroit Avenue
Concord, California 94518
(415) 686-6660

Officers: Michael O. Preletz, chairman of the board & president; Irvin R. Reuling, secretary & treasurer.

Directors: Arthur Bruno, William R. Hambrecht, Michael O. Preletz, Gene Washington.

Areas of Work: Manufactures a series of electronic modules and linear integrated circuits.

Subsidiaries:

Zeltex, Inc.
1000 Chalomar Road
Concord, California 94518
(415) 686-6660
Produces operational amplifiers, function modules, converson products and powersupplies.

Silicon General, Inc.
7382 Bolsa Avenue
Westminister, California 92683
(714) 892-5531
Manufactures linear IC circuits.

Transfer Agent(s):

Wells Fargo Bank

Stock Exchange(s): Over-the-Counter

Ticker Symbol: REDC (NASDAQ)

Sales and Earnings

	Revenues	Net Income ‡
1980	$ 24,531,000	$ 2,611,000
1979	16,425,000	2,736,000
1978	11,750,000	1,486,000
1977	8,788,000	67,000
1976	7,596,000	138,000

	No. of Com. Shares †	Earn. per Share ‡ +
1980	2,693,400	$0.95
1979	2,477,568	0.98
1978	2,267,824	0.59
1977	2,657,624	0.03
1976	2,657,624	0.05

‡ Including extraordinary gains of $996,000 ($0.36 per share) in 1979 and $80,000 ($0.03 per share) in 1978.
† Adjusted to reflect stock splits.
+ Based on the average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	2-for-1
1979	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 8,813,000	$3.27
1979	6,265,000	2.53
1978	3,115,000	1.37
1977	1,710,000	0.64
1976	1,559,000	0.59

‡ Adjusted to reflect stock splits.

Income Account *

Year ended	6/29/80	7/1/79
Net sales	$ 23,822,000	$ 16,041,000
Gain on sale	430,000	—
Other income	279,000	384,000
Total Income	$ 24,531,000	$ 16,425,000
Cost of sales	14,751,000	9,367,000
Expenses	5,985,000	3,811,000
Income before taxes	$ 3,795,000	$ 3,247,000
Income taxes	1,184,000	1,507,000
Net Income	$ 2,611,000	$ 1,740,000
Extraord. gain	—	996,000
Net Income & Extraord. gain	$ 2,611,000	$ 2,736,000

* Included in Costs and Expenses, Depreciation and Amortization: $262,000 in 1980 and $140,000 in 1979.

Assets

Year ended	6/29/80	7/1/79
Cash	$ 4,308,000	$ 3,160,000
Accts. receiv., net	2,611,000	1,946,000
* Inventories	4,359,000	2,596,000
Prepaid expenses	20,000	65,000
Current Assets	$ 11,298,000	$ 7,767,000
# Fixed assets	3,500,000	2,861,000
Other assets	55,000	123,000
Intangibles	265,000	282,000
Total Assets	$ 15,118,000	$ 11,033,000

Liabilities

Long-term debt, curr.	$ 47,000	$ 7,000
Accts. payable	1,731,000	1,314,000
Accruals	1,410,000	1,097,000
Allow. for sales returns	265,000	335,000
Income taxes	708,000	—
Curr. Liabilities	$ 4,161,000	$ 2,753,000
Long-term debt	235,000	184,000
Deferred inc. taxes	1,909,000	1,831,000
+ Common stock	917,000	780,000
Add. paid-in capital	1,971,000	1,422,000
Retained earnings	7,313,000	4,702,000
Subsidiary shares	(1,388,000)	(639,000)
Total Liabilities & Shareholders' Equity	$ 15,118,000	$ 11,033,000

* At lower of standard cost (which approximates average cost) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	15.93	20.24
%Net Income to Sales	10.96	10.85
%Net Income to Equity	29.63	27.77
Sales to Inventories	5.47	6.18
Working Capital	$ 7,137,000	$ 5,014,000
Current Ratio	2.72	2.82
Shareholers' Equity	$ 8,813,000	$ 6,265,000

REDM Industries, Inc.

(formerly R.E.D.M. Corporation)
70 Old Turnpike Road
Wayne, New Jersey 07470
(201) 256-6010

Officers: Fred S. Kann, chairman of the board, president & chief executive officer; Seymour Sylvan, sr. v.p.; Seymour S. Weisman, asst. to president; Irving H. Stolz, v.p. & general counsel; Harry Friedling, secretary & treasurer; Allan Lorimer, controller & asst. treasurer.

Directors: Irving H. Stolz, Fred S. Kann, Simon R. Bregman, Harry Friedling, Alexander E. Langsam, Seymour S. Weisman, Bennett L. Newman, Stanley Jerina, Fred F. Rimmler, Seymour Sylvan.

Subsidiaries:

R.E.D.M. Corporation
70 Old Turnpike Road
Wayne, New Jersey 07470
Electromechanical and electronic assemblies, fuzing and arming devices, and specialty cables.

The Eby Company
4701 Germantown Avenue
Philadelphia, Pennsylvania 19144
(215) 842-3000
Manufacturer of electronic connectors, sockets, binding posts and other electronic passive components.

Hyperion Industries Corporation
134 Coolidge Avenue
Watertown, Massachusetts 02172
(617) 926-0140
Manufacturer of power supplies and transformers.

Techniplast Inc.
231 Main Street
Little Falls, New Jersey 07424
(201) 785-1400
Custom molders for the safety equipment, medical and housewares industries.

Transfer Agent(s):

Registrar and Transfer Company
Cranford, New Jersey

Stock Exchange(s): American

Ticker Symbol: RED

Sales and Earnings

	Net Sales +	Net Income #
1980	$ 25,314,421	$ 1,528,865
1979	17,610,139	1,144,741
1978	15,149,901	851,539
1977	14,717,976	800,875
1976	10,483,477	715,449

	No. of Com. Shares	Earn. per Share # ×
1980	1,368,748	$1.12
1979	1,364,948	0.80
1978	1,451,006	0.59
1977	1,457,151	0.55
1976	1,457,151	0.49

+ Of continuing operations only.
# Including extraordinary gains of $340,500 ($0.23 per share) in 1977 and $307,000 ($0.21 per share) in 1976, and extraordinary losses of $101,000 ($0.07 per share) in 1979 and $75,500 ($0.05 per share) in 1978.
× Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1980	1979
Mechanical	$ 4,602,000	$ 5,077,210
Electronics	15,127,000	12,532,929
Plastics	5,585,000	—
Total	$ 25,314,000	$ 17,610,139

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 8,355,730	$6.10
1979	6,818,945	5.00
1978	6,059,097	4.18
1977	5,217,544	3.58
1976	4,416,669	3.03

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 25,314,421	$ 17,610,139
Cost of sales	19,022,874	12,977,266
Expenses	3,418,248	2,587,037
Other income	(182,066)	(280,905)
Income before taxes	$ 3,055,365	$ 2,326,741
Income taxes	1,526,500	1,081,000
Net Income	$ 1,528,865	$ 1,245,741
Extraord. loss	—	(101,000)
Net Income & extraord. loss	$ 1,528,865	$ 1,144,741

*Included in Costs and Expenses, Depreciation and Amortization: $495,499 in 1980 and $385,627 in 1979.

Assets

As of Dec. 31	1980	1979
Cash & cert. of deposit	$ 1,588,111	$ 1,177,359
Marketable securities	2,348,990	1,752,058
Accts. receiv., net	4,298,910	2,134,277
*Inventories	3,471,318	2,924,365
Prepaid expenses & other assets	516,195	407,937
Current Assets	$ 12,223,524	$ 8,395,996
# Fixed assets	2,434,539	1,680,304
Other assets	165,521	63,182
Total Assets	$ 14,823,584	$ 10,139,482

Liabilities

Long-term debt, curr.	$ 291,200	$ 13,462
Advance payments on contracts	767,362	272,472
Accts. payable	2,290,009	1,129,366
Accrued expense	1,674,159	949,237
Earnings payable to creditors	—	101,000
Inc. taxes payable	741,502	956,000
Curr. Liabilities	$ 5,764,232	$ 3,320,537
Long-term debt	703,622	—
+ Common stock	361,727	360,777
Add. paid-in capital	3,293,641	3,286,671
Retained earnings	5,012,994	3,484,129
Treasury stock	(312,632)	(312,632)
Total Liabilities & Shareholders' Equity	$ 14,823,584	$ 10,139,482

*At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.07	13.21
%Net Income to Sales	6.04	7.07
%Net Income to Equity	18.30	18.27
Sales to Inventories	7.29	6.02
Working Capital	$ 6,459,292	$ 5,075,459
Current Ratio	2.12	2.53
Shareholders' Equity	$ 8,355,730	$ 6,818,945

Regency Electronics, Inc.

7707 Records Street
Indianapolis, Indiana 46226
(317) 545-4281

Officers: Edwin J. Sommer, Sr., chairman of the board; Floyd O. Ritter, president; Joseph E. Boone, exec. v.p.; Byron E. Crum, v.p.-marketing; A.D. Strahla, v.p. & treasurer; James K. Sommer, secretary.

Directors: Edwin J. Sommer, Sr., chairman; Floyd O. Ritter, James K. Sommer, Joseph B. Weaver, Nelson A. Boyd, Sr., Joseph E. Boone, Ralph R. Whitney, Jr.

Areas of Work: Produces and markets electronic test equipment, for commercial and avionics markets; transceivers and receivers for public service, business and the consumer radio market; energy load management radio switches for the utilities industry and for Honeywell for industrial application.

Subsidiaries:

IFR, Inc.
4053 Navajo Lane
Wichita, Kansas 67210
(316) 685-9271
Produces a line of aviation and commercial electronics test equipment.

Regency Communications, Inc.
1227 South Patrick Drive
Satellite Beach, Florida 32927
(305) 777-1414
Makes two-way FM mobile radios.

Wilson Electronics, Inc.
Las Vegas, Nevada
(702) 739-1931
Produces two-way FM radios and FM amateur radios.

RCD, Inc.
Buys and sells quartz crystals.

Wilson Electronics, Inc. (Philippines)
Manufactures electronic devices.

Transfer Agent(s):

Merchants National Bank & Trust Co.
11 South Meridian Street
Indianapolis, Indiana 46204

Stock Exchange(s): Over-the-Counter

Ticker Symbol: RGCY (NASDAQ)

Number of Employees:

1980	1,250	1977	900
1979	1,418	1976	1,100
1978	1,100		

Plant Footage:

1980	270,000 sq. ft.	1977	182,000
1979	270,000	1976	152,000
1978	182,000		

Sales and Earnings

	Net Sales #	Net Income
1980	$ 57,570,879	$ 5,149,751
1979	51,590,345	5,312,047
1978	38,780,729	3,517,140
1977	37,404,256	757,617
1976	57,110,193	9,058,686

	No. of Com. Shares ‡	Earn. per Share ‡
1980	2,688,000	$1.92
1979	2,684,000	1.98
1978	2,675,000	1.31
1977	2,672,000	0.28
1976	2,650,000	3.42

# Includes other income.
‡ Based on the average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.70	—	—
1979	0.70	—	—
1978	0.50	—	—
1977	0.60	—	—
1976	0.50	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 31,461,328	$11.70
1979	28,159,594	10.49
1978	24,676,448	9.22
1977	22,465,090	8.41
1976	23,206,515	8.76

‡ Based on the average number of common shares and common share equivalents outstanding.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 57,570,879	$ 51,590,345
Other income	419,139	615,477
Total income	$ 57,990,018	$ 52,205,822
Cost of sales	33,823,719	30,826,461
Expenses	12,791,935	10,779,918
Amort. of goodwill	96,061	62,302
Interest expense	625,532	32,653
Loss from discont. oper.	$ 485,338	$ —
Other charges	49,682	26,441
Income before taxes	$ 10,117,751	$ 10,478,047
Income taxes	4,968,000	5,166,000
Net Income	$ 5,149,751	$ 5,312,047

* Included in Costs and Expenses, Depreciation: $1,361,172 in 1980 and $1,082,263 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 533,340	$ 863,019
Accts. receiv., net	11,764,563	9,508,969
* Inventories	22,700,235	15,902,110
Prepaid expenses	270,775	141,483
Fixed assets of discont. oper.	575,147	—
Deferred taxes	—	49,000
Current Assets	$ 35,844,060	$ 26,464,581
# Fixed assets	6,513,665	6,932,501
Prop. under cap leases	2,406,589	2,513,500
Other assets	232,963	435,729
Intangibles	903,371	999,432
Total Assets	$ 45,900,648	$ 37,345,743

Liabilities

Notes payable	$ 5,050,000	$ 219,976
Cap. lease oblig., curr.	70,053	67,[illegible]51
Accts. payable	2,047,154	1,573,053
Accruals	1,743,999	1,867,680
Accrued payroll	810,570	615,513
Income taxes	1,615,835	1,589,550
Deferred income taxes	25,000	—
Other taxes	394,613	550,877
Curr. Liabilities	$ 11,757,224	$ 6,484,000
Cap. lease oblig.	2,376,096	2,446,149
Deferred inc.taxes	306,000	256,000
+ Common stock	1,916,084	1,882,547
Retained earnings	29,545,244	26,277,047
Total Liabilities & Shareholders' Equity	$ 45,900,648	$ 37,345,743

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	17.57	20.31
%Net Income to Sales	8.95	10.30
%Net Income to Equity	16.37	18.56
Sales to Inventories	2.54	3.2[illegible]
Working Capital	$ 24,086,836	$ 19,980,581
Current Ratio	3.05	4.08
Shareholders' Equity	$ 31,461,328	$ 28,159,594

Resdel Industries

990 South Fair Oaks Avenue
Pasadena, California 91105
(213).441-3101

Officers: H.K. Abajian, chairman & chief exec. officer; S.E. Beale, president & chief operating officer; R.J. Marmorstone, v.p.'s; M.C. Barker, v.p.-finance; William C. Neil Jr., v.p. & secretary.

Directors: H.K. Abajian, S.E. Beale, S.L. Hahn, R.C. Sherburne, T.P. Collier, G.A. Macer.

Areas of Work: Engaged in the design, development and manufacture of highly technical electronic communications systems and devices for government and prime contractors use and in the design and distribution of consumer electronic communication products.

Subsidiaries:

Resdel Engineering Corporation
300 East Live Oaks Avenue
Arcadia, California 91006
(213) 445-5955

Engaged in the development and manufacture of government communications products; 20 watt S-band transmitters, miniature monitor receivers, microprinter, and 40 watt L-band strip line transmitter.

Fanon/Courier Corporation
990 South Fair Oaks Avenue
Pasadena, California 91105
(213) 799-9161

Manufactures and markets consumer electronic products; intercoms for all types of applications, walkie-talkies, telephone amplifiers, PA amplifiers, megaphones, loudspeakers, radio transmitters, pocket pagers cordless telephones, portable scanners, etc.

Resdel Communications Corporation
990 South Fair Oaks Avenue
Pasadena, California 91105
(213) 441-3101

Resdel International B.V.(inactive)
Amsterdam, The Netherlands

Resdel International Japan, Ltd.
Tokyo, Japan

Evaluation and acquistion of products from the Orient.

Resdel International Hong Kong, Ltd.(inactive)
Hong Kong

Transfer Agent(s):
United California Bank
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: RESD (NASDAQ)

Number of Employees:

1980	225	1978	313
1979	291		

Plant Footage:

1980	90,000 sq.ft.	1978	90,000
1979	90,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 12,392,000	$ (1,310,000)
1979	12,563,394	(3,518,583)
1978	16,808,817	(2,818,598)
1977	26,715,552	(3,954,520)
1976	39,552,160	3,212,561

	No. of Com. Shares #	Earn. per Share #
1980	961,050	$ —
1979	961,050	—
1978	961,050	—
1977	959,458	—
1976	955,383	3.36

(Loss)
# Based on weighted average number of shares outstanding adjusted to reflect stock dividend.

Revenues By Line of Business

	1980	1979
Gov't products	$ 6,010,000	$ 5,313,000
Consumer prods.	4,414,000	5,965,000
Export prods.	1,968,000	1,285,000
Total	$ 12,392,000	$ 12,563,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$ —	—	—
1979	—	—	—
1978	—	—	—
1977	0.10	—	—
1976	0.20	5%	—

Income Account *

Year ended June 30	1980	1979
Net sales	$ 12,392,000	$ 12,563,394
Cost of sales	9,787,000	11,333,609
Expenses	2,542,000	2,675,029
Research & devel.	208,000	21,893
Depreciation & amortization	248,000	279,762
Interest expense	905,000	1,175,142
Equity in loss of subsidiary	—	654,309
Loss before taxes	$ (1,298,000)	$ (3,576,350)
Income taxes(credit)	12,000	(57,767)
Net Loss	$ (1,310,000)	$ (3,518,583)

Assets

As of June 30	1980	1979
Cash	$ 86,000	$ 207,489
Accts. receiv., net	1,832,000	2,108,616
* Inventories	2,294,000	3,675,787
Prepaid expenses	1,250,000	173,767
Costs recov. under contracts	128,000	825,922
Current Assets	$ 5,590,000	$ 6,991,581
# Fixed assets	803,000	1,486,513
Other assets	61,000	115,376
Total Assets	$ 6,454,000	$ 8,593,470

Liabilities

Long-term debt, curr.	$ 349,000	$ 1,423,765
Notes payable	590,000	849,953

Accts. payable	1,336,000	949,905
Accruals	259,000	297,255
Accrued payroll	379,000	424,420
Income taxes	22,000	—
Curr. Liabilities	$ 2,935,000	$ 3,945,298
Long-term debt	4,305,000	4,145,842
Other deferred liab.	23,000	—
+ Preferred stock	3,000,000	3,000,000
+ + Common stock	480,000	480,525
Add. paid-in capital	3,143,000	3,143,758
Retained earnings (deficit)	(7,432,000)	(6,121,953)
Total Liabilities & Shareholders' Equity	$ 6,454,000	$ 8,593,470

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $100 par value.
+ + $0.50 par value.

Statistical Summary

Sales to Inventories	• 5.40	3.42
Working Capital	$ 2,655,000	$ 3,046,283
Current Ratio	1.90	1.77
Shareholders' Equity (Deficiency)	$ (3,809,000)	$ (2,499,000)

Research, Incorporated

P.O. Box 24064
Minneapolis, Minnesota 55424
(612) 941-3300

Officers: A.E. Abramson, president; J.R. Anderson, senior vice president; W.A. Erdahl, vice president & treasurer; J.A. Ruce, R.L. Fillmore, G.W. Sangster, v.p.'s; G.E. Magnuson, secretary.

Directors: A.E. Abramson, J.R. Anderson, K.G. Anderson, W.J. Benjamin.

Areas of Work: Designs, manufactures and sells proprietary products from the following three related groups: electronic and/or electrical process control instruments, radiant heating devices and telecommunication terminals.

Subsidiaries:

Research International, Inc. (DISC)
P.O. Box 24064
Minneapolis, Minnesota 55424

Transfer Agent(s):

Northwestern National Bank of Minneapolis
7th Street at Marquette Avenue
Minneapolis, Minnesota 55840

Stock Exchange(s): Over-the-Counter

Ticker Symbol: RESR (NASDAQ)

Number of Employees:

1980	293	1977	233
1979	276	1976	188
1978	240		

Plant Footage:

1980	90,000 sq.ft.	1977	90,000
1979	90,000	1976	60,000
1978	90,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 21,400,467	$ 1,702,213
1979	17,579,379	1,252,897
1978	14,221,766	1,018,307
1977	11,731,234	978,060
1976	8,307,149	660,151

	No. of Com. Shares #	Earn. per Share #
1980	1,605,000	$1.06
1979	1,596,000	0.79
1978	1,592,000	0.64
1977	1,532,000	0.62
1976	1,530,000	0.43

# Based on weighted average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1980 (000's)	%	1979 (000's)	%
Process control instruments	$ 7,308	34%	$ 6,602	37%
Radiant heating devices	6,480	30	5,067	29
Telecommunications terminals	7,612	36	5,910	34
	$21,400	100%	$17,579	100%

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$0.16	—	2-for-1
1979	0.125	—	—
1978	0.10	—	2-for-1
1977	0.088	—	—
1976	0.063	—	—

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 8,081,346	$5.04
1979	6,623,516	4.15
1978	5,565,962	3.50
1977	4,635,618	3.03
1976	3,788,373	2.48

‡ Adjusted to reflect stock splits.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 21,400,467	$ 17,579,379
Cost of sales	12,340,142	10,635,970
Expenses	5,417,042	4,272,506
Other income	(53,164)	(47,610)
Prof. sh. plan	362,245	260,655
Interest expense	73,989	111,961
Income before taxes	$ 3,260,213	$ 2,345,897
Income taxes	1,558,000	1,093,000
Net Income	$ 1,702,213	$ 1,252,897

* Included in Costs and Expenses, Depreciation: $359,778 in 1980 and $379,050 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 192,332	$ 358,031
Accts. receiv., net	4,760,218	4,079,160
*Inventories	4,825,238	3,549,542
Prepaid expenses	68,964	80,080
Current Assets	$ 9,846,752	$ 8,066,813
Rental prop.	564,983	607,970
# Fixed assets	1,699,883	1,589,377
Total Assets	$ 12,111,618	$ 10,264,160

Liabilities

Notes payable	$ —	$ 1,300,000
Accts. payable	1,567,569	847,418
Accruals	1,386,216	1,014,759
Income taxes	758,487	259,467
Curr. Liabilities	$ 3,712,272	$ 3,421,644
Deferred inc. tax	318,000	219,000
+Common stock	887,170	441,335
Paid-in capital	152,517	142,393
Retained earnings	7,263,134	6,261,264
Treasury stock	(221,475)	(271,476)
Total Liabilities & Shareholders' Equity	$ 12,111,618	$ 10,264,160

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	15.23	13.34
%Net Income to Sales	7.95	7.13
%Net Income to Equity	21.06	18.92
Working Capital	$ 6,134,480	$ 4,645,169
Current Ratio	2.65	2.36
Shareholders' Equity	$ 8,081,346	$ 6,623,516

Rexham Corporation

90 Park Avenue
New York, New York 10016
(212) 883-0915

Executive Office:

1201 Greenwood Cliff
Charlotte, North Carolina 28204
(704) 371-5700

Officers: Scott C. Lea, president; Keith F. Kennedy, sr. v.p.-law; Charles C. Brown, v.p.-Machinery Group; E. Alan Erb, v.p.-Flexible Packaging; E. Bryant Frech, v.p.-Industrial Group; Thomas M. Little, v.p.-Packaging Group; Thomas L. McVerry, v.p.-finance & resources; Wesley G. Soule, treasurer; Rubina I. Grosso, secretary; Staton E. Boyette, Jr., controller.

Directors: J. Sinclair Armstrong, James W. Foley, Roscoe C. Ingalls, Jr., Keith F. Kennedy, Scott C. Lea, Edward H. Michaelson, Robert J. Milano, Orland M. Scott, John Hoyt Stookey.

Divisions and Subsidiaries:

Schiller Industries, Inc.
2000 Highway 157 West
P.O. Box 1088
Cullman, Alabama 35055
(205) 739-1115

Manufactures ultraclose machined components for defense, aerospace, and commercial applications. Also produces electronic assemblies and custom designed interconnect harness systems and is engaged in the field of commercial chemical analysis.

Laminex, Inc.

Manufactures security/identification and graphic laminating systems.

Wright Machinery

Manufactures vertical packing machinery for the snack, convenience food and cereal markets.

Bartelt Machinery

Designs and manufactures machines that horizontally form, fill, and seal packages made from flexible materials.

Warner Packaging

Designs and produces paperboard and combination packaging for cosmetics, personal care and pharmaceuticals.

Southern California Carton

Designs and produces custom paperboard packaging for the cosmetic and health care industries.

Fashion Packaging

Manufactures packaging for hosiery, textile and pharmaceutical products; pressure sensitive labels.

Rexham Corporation

Flexible Packaging

Manufactures printed, coated, and laminated papers, films, foils for convenience foods, tobacco, photographic and health care products.

Industrial Division

Develops technical coatings and laminations of foils, tissues, and films for the electronic, automotive, and photographic industries.

Transfer Agent(s):

Manufacturers Hanover Trust Company
4 New York Plaza
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: RXH

Sales and Earnings

	Net Sales +	Net Income †
1980	$ 168,902,000	$ 6,677,000
1979	157,471,000	8,268,000
1978	143,530,000	6,898,000

	No.of Com. Shares	Earn. per Share † ‡
1980	4,304,392	$1.55
1979	4,316,486	1.91

+ Of continuing operations only.
† Including extraordinary losses of $784,000 ($0.18 per share) in 1980 and $2,114,000 in 1978.
‡ Based on the weighted average number of common shares outstanding during the year.

Revenues By Line of Business
(000's)

	1980	1979
Coated or laminated paper, film & foil	$ 84,520	$ 79,100
Plain or uncoated film & others	10,081	11,362
Converted paperboard	37,099	37,522
Machinery	28,671	29,487
Precision metal & electronic components	8,531	—
Total	$ 168,902	$ 157,471

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.60	—	—
1979	0.60	—	—
1978	0.575	—	—
1977	0.475	—	—
1976	0.34	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 65,328,000	$15.18
1979	61,486,000	14.24

Income Account *
(000's)

Year ended	12/28/80	12/30/79
Net sales	$ 168,902	$ 157,471
Cost of sales	135,593	124,092
Expenses	18,437	15,969
Interest & financing expense	2,519	715
Other income	(583)	(100)
Income before taxes	$ 12,936	$ 16,795
Income taxes	5,647	7,727
Income from cont. oper.	$ 7,289	$ 9,068
Income (loss) from discont. oper.	172	(800)
Net Income	$ 7,461	$ 8,268
Extraord. charge	(784)	—
Net Income & Extraord. charge	$ 6,677	$ 8,268

* Included in Costs and Expenses, Depreciation and Amortization: $4,678,000 in 1980 and $3,804,000 in 1979.

Assets
(000's)

As of	12/28/80	12/30/79
Cash	$ 5,907	$ 2,551
Receivables, net	21,662	18,232
* Inventories	29,725	26,619
Other assets	2,442	1,350
Current Assets	$ 59,736	$ 48,752
# Fixed assets	55,763	39,110
Other assets	7,297	5,395
Total Assets	$ 122,796	$ 93,257

Liabilities
(000's)

Accts. payable	$ 12,788	$ 10,740
Accrued payroll	4,827	5,286
Income taxes pay.	5,079	1,792
Other accruals	1,921	881
Dividends payable	646	647
Curr. Liabilities	$ 25,261	$ 19,346
Long-term debt	25,625	6,211
Oblig. under cap. leases	727	1,423
Deferred inc. taxes	4,395	4,221
Deferred pension liab.	1,460	570
+ Common stock	4,500	4,500
Add. paid-in capital	31,629	31,744
Retained earnings	31,482	27,393
Treasury stock	(2,283)	(2,151)
Total Liabilities & Shareholders' Equity	$ 122,796	$ 93,257

* At lower of cost principally average or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

% Net Income to Equity	11.42	13.45
Sales to Inventories	5.68	5.92
Working Capital	$ 34,475,000	$ 29,406,000
Current Ratio	2.36	2.52
Shareholders' Equity	$ 65,328,000	$ 61,486,000

Ripley Company, Inc.

46 Nooks Hill Road
Cromwell, Connecticut 06416
(203) 635-2200

Officers: F.A. Rudolph, chairman of the board and chief exec. officer; H.I. Thayer, Jr., president; Alvah A. Russell, Jr., v.p.-engineering; James J. Matthews, vice president; Sebastian DiStefano, treasurer; S. Michael Schatz, secretary.

Directors: F.A. Rudolph, chairman; Sebastian DiStefano, H.I. Thayer, Jr., James J. Matthews, Lewis B. Daniels, Jr., Douglas Kellogg.

Areas of Work: Specializes in the manufacture of blowers, electronics and mechanical timers, cable preparation tools and light-activated sunswitches, decorative street lights and packages to convert mercury vapor lights to high pressure sodium lights.

Subsidiaries:

Utility Tool Corporation
East Haddam, Connecticut
Manufactures cable stripping equipment.

Transfer Agent(s):

Connecticut Bank & Trust Co.
Hartford, Connecticut 06115

Stock Exchange(s): Over-the-Counter

Ticker Symbol: RIPY (NASDAQ)

Number of Employees:

1981	152	1979	149
1980	152	1978	130

Plant Footage:

1981	45,000 sq. ft.	1979	45,000
1980	45,000	1978	45,000

Sales and Earnings

	Net Sales	Net Income ‡
1981	$ 5,129,232	$ 474,383
1980	3,665,596	(69,061)
1979	3,549,545	231,908
1978	2,717,767	34,351
1977	1,733,355	(191,122)

	No. of Com. Shares	Earn. per Share ‡
1981	588,280	$0.82
1980	576,400	—
1979	576,400	0.40
1978	576,400	0.06
1977	576,400	—

(Loss)
‡ Including extraordinary credit of $31,768 ($0.05 per share) in 1981.

Revenues By Line of Business

	1981	1980
Electronic equipment	$ 3,134,648	$ 2,259,858
Blower parts & accessories	582,976	369,376
Cable preparation tools	1,411,608	1,036,362
Total	$ 5,129,232	$ 3,665,596

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$0.20	—	—
1980	0.16	—	—
1979	0.16	—	—
1978	0.16	—	—
1977	0.16	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 1,866,212	$3.17
1980	1,482,553	2.57
1979	1,643,838	2.85
1978	1,504,154	2.61
1977	1,562,109	2.71

Income Account *

Year ended Feb. 28	1981	1980
Net sales	$ 5,129,232	$ 3,665,596
Cost of sales	3,385,268	2,751,454
Expenses	966,755	938,508
Other expense	36,302	41,538
Income (loss) before taxes	$ 740,907	$ (65,904)
Income taxes	298,292	3,157
Net Income (Loss)	$ 442,615	$ (69,061)
Extraordinary Credit	31,768	—
Net Income (Loss) & Extraordinary Credits	$ 474,383	$ (69,061)

* Included in Costs and Expenses, Depreciation & Amortization: $119,424 in 1981 and $119,924 in 1980.

Assets

As of Feb. 28	1981	1980
Cash	$ 111,695	$ 47,376
Accts. receiv., net	843,433	664,891
* Inventories	1,113,705	937,069
Prepaid expenses & deferred charges	22,354	42,529
Current Assets	$ 2,091,187	$ 1,691,865
# Fixed assets	802,115	844,681
Other assets	27,288	31,583
Total Assets	$ 2,920,590	$ 2,568,129

Liabilities

	1981	1980
Note payable	$ —	$ 160,000
Long-term debt-curr.	34,386	40,054
Accts. payable	196,066	284,643
Accruals	117,992	125,986
Income taxes	255,468	1,000
Curr. Liabilities	$ 603,912	$ 611,683
Lease obligations	424,513	458,144
Install. loans payable	953	1,749
Defer. inc. taxes	25,000	14,000
+ Common stock	297,975	288,200
Add. paid-in capital	413,529	345,104
Retained earnings	1,231,408	849,249
Treasury stock	(76,700)	—
Total Liabilities & Shareholders' Equity	$ 2,920,590	$ 2,568,129

* At lower cost (LIFO) or market.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	14.44	—
%Net Income to Sales	8.63	—
%Net Income to Equity	23.72	—
Sales to Inventories	4.61	3.91
Working Capital	$ 1,487,275	$ 1,080,182
Current Ratio	3.46	2.77
Shareholders' Equity	$ 1,866,212	$ 1,482,553

RMS Electronics, Inc.

50 Antin Place
Bronx, New York 10462
(212) 892-6700

Officers: Arthur A. Fink, chairman of the board, chief exec officer; Donald Edelman, president & chief operating officer Dominick Padilla, v.p.-production; Kerwin McMahon, v.p. CATV Division; Albert Goldstein, v.p.-distributor sales Gunther Diefes, v.p.; Jessie A. Ellis, secretary; Harr Bogatch, asst. treasurer.

Directors: Myron Cohen, Jessie A. Ellis, Arthur A. Fink William J. Barrett, Herbert M. Gardner, Kenneth Frank Donald Edelman, Harry Bogatch.

Areas of Work: Designs, manufactures, imports and distributes television antennas, antenna hardware, Radio Frequenc (RF) passive devices, accessories and related products for th consumer market, the cable antenna television system (CATV) market and for other communication markets including Master Antenna Television Systems (MATV), stand-b power sources.

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, N.J. 07016

Stock Exchange(s): American

Ticker Symbol: RMS

Sales and Earnings

	Net Sales	Net Income
1980	$ 19,381,458	$ 1,216,052
1979	13,545,815	781,141
1978	7,904,952	314,164
1977	6,187,945	205,016
1976	5,063,579	124,375

	No. of Com. Shares ‡	Earn. per Share ‡
1980	1,379,867	$0.88
1979	1,194,686	0.65
1978	1,161,759	0.27
1977	1,137,543	0.18
1976	1,052,595	0.11

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends and stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	3-for-2
1979	—	10%	—
1978	—	—	—
1977	—	—	1-for-1
1976	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 5,945,153	$4.11
1979	2,191,213	2.00
1978	1,320,215	1.27
1977	987,938	0.99
1976	782,922	0.78

‡ Adjusted to reflect stock dividends and stock splits.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 19,381,458	$ 13,545,815
Cost of sales	13,241,885	9,378,417
Expenses	3,364,430	2,366,573
Research & development	74,300	—
Interest expense	636,891	431,627
Other income	(94,995)	(25,453)
Income before taxes	$ 2,158,947	$ 1,394,651
Income taxes	942,895	613,510
Net Income	$ 1,216,052	$ 781,141

* Included in Costs and Expenses, Depreciation and Amortization: $80,694 in 1980 and $41,573 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 1,292,998	$ 1,150,722
Accts. & notes receiv., net	3,499,107	2,846,111
* Inventories	6,029,512	2,391,962
Prepaid exp. & other assets	191,303	117,629
Due from officer	—	4,200
Misc. receiv.	153,824	—
Current Assets	$ 11,166,744	$ 6,510,624
# Fixed assets	1,054,394	629,270
Other assets	408,157	54,032
Total Assets	$ 12,629,295	$ 7,193,926

Liabilities

	1980	1979
Notes payable	$ 1,500,000	$ 3,046,148
Long-term debt, curr.	44,785	43,535
Accts. payable	813,592	793,329
Accruals	523,738	368,649
Income taxes	313,521	319,698
Curr. Liabilities	$ 3,195,636	$ 4,571,359
Long-term debt	3,488,506	431,354
+ Common stock	115,640	141,352
Add. paid-in capital	3,556,974	1,053,576
Retained earnings	2,272,539	1,260,773
Treasury stock	—	(264,488)
Total Liabilities & Shareholders' Equity	$ 12,629,295	$ 7,193,926

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.08 par value.

Statistical Summary

%Income before Taxes to Sales	11.14	10.30
%Net Income to Sales	6.27	5.77
%Net Income to Equity	20.45	35.65
Sales to Inventories	3.21	5.66
Working Capital	$ 7,971,108	$ 1,939,265
Current Ratio	3.49	1.42
Shareholders' Equity	$ 5,945,153	$ 2,191,213

Robertshaw Controls Company

1701 Byrd Avenue
Richmond, Virginia 23261
(804) 281-0700

Mailing address:

P.O. Box 26544
Richmond, Virginia 23261

Officers: David P. Reynolds, chairman of the board and chairman of the executive comm.; Ralph S. Thomas, president & chief executive officer; Joseph A. Howell, Jr., sr. vice president and general counsel; Arnold C. Hansen, sr. v.p.-corp. sales; vice presidents and general managers: George H. Crock-Indiana Div., I.O. Johnson-Fulton Sylphon Div., O.V. Pope-Grayson Controls Div.; Lewis V. Smith -New Stanton Div., Milo J. Bowen-Milford Div., James A. Whitmarsh-Lux Time Div., Jules M. Kabat -Integrated Systems Div., Donnell H. Fox -Uni-Line Div., John Lenkey III -Int'l. Operations; Kenneth W. Whittington -Control Systems Div.; Richard S. Reynolds III, v.p. -mergers & acquistions; Robert W. Pendergast, v.p.-financial & public relations; James R. Willson, v.p.-research & development; Patrick H. Diamond, v.p.-finance; Joseph Brandrofcheck, treasurer; H.N. Robinson, v.p. & controller; Rene R. Haldimann, v.p. & gen mgr., New Stanton/Indiana Division; Auzille Jackson, Jr., v.p.-technology & chief patent counsel; David T. Scott, v.p. & gen. mgr., Industrial Instrumentation Division; Auzville Jackson, Fr., v.p.-technology & chief patent counsel; Ralph L. Coplan, John P. Carr, v.p.'s; Dean R. Dennis, v.p.-appliance controls; J. Paul Hines, v.p. & pres., New England Instrument C.; Robert E. Sweaney, secretary & general attorney.

Directors: David P. Reynolds, chairman, Patrick H. Diamond, William S. Leonhardt, Arnold C. Hansen, J. Louis Reynolds, R.S. Reynolds III, Joseph A. Howell, Jr., Ralph S. Thomas*, J. Paul Hines, O.V. Pope, I.O. Johnson, John M. McGurn, Paul E. Reichardt, John E. Blomquist, Frank G. Louthan, Jr.

*Member of Executive Committee.

Areas of Work: Engaged in the manufacture of automatic controls and control systems for industry, commercial buildings and the home. Products include controls for regulating and measuring temperature and pressure, for heating and cooling, for appliances, for transportation, for industrial processes and systems and instrumentation for other precise control requirements.

Divisions:

Industrial Instrumentation Division
333 N. Euclid Way
Anaheim, California 92803
(714) 535-8151

Industrial products include water pollution control equipment; transmitters, recorders, precision controllers; vibration malfunction detectors, capacitance-type level and bulk measuring control instruments. Oxygen products include miniature regulators, passenger and crew oxygen breathing systems, medical resuscitation equipment and related components.

Ellijay Division
Ellijay, Georgia 30540
(404) 635-7951

Components of gas ranges are produced by this division. Products include gas valves, pressure regulators, burners, manifolds and other accessories.

Robertshaw Controls Company

El Paso Division
320 N. Clark Drive
El Paso, Texas 79905
(919) 593-4111
Manufacturer of automatic temperature control devices.

Fulton Sylphon Division
2318 Kingston Pike S.W.
Knoxville, Tennessee 37901
(615) 546-0550
Heating and ventilating controls; process controls, engine control systems, valves, seals, pressure gauges, metal bellows and bellows assemblies; automobile thermostats, aircraft and missile controls.

Grayson Controls Division
100 W. Victoria Street
Long Beach, California 90805
(213) 663-8301
Controls for appliances and heating equipment.

Indiana Division
Indiana, Pennsylvania 15701
(412) 349-1500
Controls for electric appliances are produced by this division, including oven and top-surface controls for ranges and controls for clothes dryers, baseboard and space heaters. Pressure switches for laundry and sump pump applications. Also, infinite and water heater controls. Line voltage electric heat wall thermostats. A complete line of precision snap action electric switches.

Lux Time Division
400 Captain Neville Drive
Waterbury, Connecticut 06705
(203) 756-3661

1307 West Main Street
Lebanon, Tennessee 37087
(605) 444-3321

Industrial Drive
Carthage, Tennessee 37030
(615) 735-1770
Electric and mechanical timing mechanisms for kitchen and laundry appliances; electric, battery-operated and mechanical clocks and timers; industrial timing devices.

Integrated Systems Division
1928 Western Avenue
Las Vegas, Nevada 89102
(702) 382-8494
Manufactures and markets electronic room status and control systems for hotels,motels, and related structures. Also manufactures fire and security systems for commercial buildings.

Milford Division
155 Hill Street
Milford, Connecticut 06460
(203) 878-1721
Air conditioning and refrigeration controls; solid state motor protection systems, and electronic environmental control systems. Hydraulically-formed and precision welded bellows and bellow assemblies for appliance controls and aircraft engine controls.

New Stanton Division
Youngwood, Pennsylvania 15697
(412) 925-7211
Gas and electric controls for domestic and commercial cooking appliances.

Fallbrook Division
1375 S. Mission Road
Fallbrook, California 92028
(714) 728-6141
Controls for electric home heating systems, including time delay switches, control relays and current sensing relays.

Simicon Division
942 Brooks Avenue
Holland, Michigan 49423
(616) 396-1467
Solid state safety controls for oil furnaces; air-conditioning time delays and power supply transformers.

Control Systems Division
1800 Glenside Drive
Richmond, Virginia 23261
(804) 288-3081
Engineers, installs and services total temperature control and fire and security systems for office buildings, hospitals, schools, commercial establishments, government buildings, industrial plants, apartments and hotels.

International Marketing Division
1701 Byrd Avenue
Richmond, Virginia 23261
(804) 282-9561
Markets controls produced by U.S. divisions and foreign subsidiaries.

Uni-Line Division
4190 Temescal Street
P.O. Box 2000
Corona, California 91720
(714) 734-2600
Wholesale distribution of gas, electric, and pneumatic controls and accessoriesto the plumbing refrigeration, appliance, heating and air-conditioning industries.

Temperature Controls Marketing Group
100 W. Victoria Street
Long Beach, California 90805
(213) 636-8301
Markets gas, electric and oil controls manufactured by domestic divisions to original equipment heating and cooling manufacturers throughout the United States.

Subsidiaries:

Robertshaw International Sales Company
Richmond, Virginia

Robertshaw Controls (Canada) Ltd.
Toronto, Ontario, Canada

Lux Time (Canada) Limited
Oakville, Ontario, Canada

Controles Robertshaw Do Brasil, S.A. (64.3% owned)
Caxias do Sul, Brazil

Robertshaw Orient, Ltd. (74.3% owned)
Tokyo, Japan

Robertshaw Controls (Australia) Pty., Ltd.(69% owned)
Pendle Hill, N.S.W., Australia

Robertshaw Europa N.V.
Amsterdam, The Netherlands

Compagnie Europecnne des Thermostats, S.A. (C.E.T.)
Reims, France

Precision S.A. (affiliate)
Mexico City, Mexico

Acquisition(s):

New England Instrument Company
A leading manufacturer of precision potentiometers and position, temperature and pressure sensors with broad application for the industrial and transportation industries.

Transfer Agent(s):

First & Merchants National Bank
Richmond, Virginia

Stock Exchange(s): New York

Ticker Symbol: ROF

Number of Employees:

1980	9,566	1977	10,594
1979	10,077	1976	9,862
1978	10,522		

Plant Footage: *

1980	2,180,357 sq.ft.	1977	2,095,357
1979	2,180,357	1976	2,095,357
1978	2,180,357		

* Owned manufacturing plants only.

Sales and Earnings

	Net Sales	Net Income †
1980	$ 349,030,000	$ 10,182,000
1979	327,308,000	8,617,000
1978	303,657,000	12,475,000
1977	269,252,000	8,752,000
1976	247,112,000	9,450,000

	No. of Com. Shares	Earn. per Share † +
1980	3,509,091	$2.61
1979	3,907,920	2.20
1978	3,904,931	3.20
1977	3,893,985	2.25
1976	3,885,242	2.43

† Including extraordinary loss of $2,559,000 ($0.66 per share) in 1979.
+ Based on weighted average number of shares outstanding.

Revenues By Line of Business

	1980 (000's)	1979 (000's)
Temperature controls for homes & commercial buildings	$ 176,883	$ 150,012
Controls for home appliances	104,752	110,273
Industrial controls & instrumentation	77,200	73,034
Transportation consumer & other	47,510	46,958
Adjustments & eliminations	(57,315)	(52,969)
Total	$ 349,030	$ 327,308

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.40	—	—
1979	1.30	—	—
1978	1.20	—	—
1977	1.10	—	—
1976	0.90	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 108,260,000	$30.85
1979	113,052,000	28.93
1978	109,453,000	28.03
1977	101,493,000	26.06
1976	96,881,000	24.94

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 349,030,000	$ 327,308,000
Other income	5,583,000	4,323,000
Total income	$ 354,613,000	$ 331,631,000
Cost of sales	280,523,000	261,797,000
Expenses	52,342,000	46,309,000
Interest expense	6,166,000	4,616,000
Other charges	—	67,000
Income before taxes	$ 15,582,000	$ 18,842,000
Income taxes	5,400,000	7,666,000
Net Income	$ 10,182,000	$ 11,176,000
Extraord. loss	—	(2,559,000)
Net Income & extraord. loss	$ 10,182,000	$ 8,617,000

* Included in Costs and Expenses, Depreciation and Amortization: $7,917,000 in 1980 and $6,571,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 4,509,000	$ 6,219,000
Receiv., net	77,677,000	74,461,000
* Inventories	58,479,000	57,830,000
Prepaid expenses	4,277,000	2,878,000
Current Assets	$ 144,942,000	$ 141,388,000
Investments	13,616,000	11,991,000
# Fixed assets	56,201,000	55,742,000
Intangibles	3,385,000	4,106,000
Total Assets	$ 218,144,000	$ 213,227,000

Liabilities

Notes payable	$ 17,200,000	$ 10,000,000
Long-term debt, curr.	2,106,000	2,123,000
Accts. payable	14,410,000	14,317,000
Accruals	23,454,000	20,048,000
Income taxes	3,662,000	1,611,000
Curr. Liabilities	$ 60,832,000	$ 48,099,000
Long-term debt	43,835,000	47,099,000
Deferred inc. taxes	5,217,000	4,977,000
+ Common stock	3,917,000	3,909,000

Add. paid-in capital	17,442,000	17,325,000
Retained earnings	96,706,000	91,858,000
Treasury stock	(9,805,000)	(40,000)
Total Liabilities & Shareholders' Equity	$ 218,144,000	$ 213,227,000

* At lower of cost(generally LIFO) or market.
# Less accumulated depreciation & amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.46	5.76
%Net Income to Sales	2.92	3.41
%Net Income to Equity	9.41	9.89
Sales to Inventories	5.97	5.66
Working Capital	$ 84,110,000	$ 93,289,000
Current Ratio	2.38	2.94
Shareholders' Equity	$ 108,260,000	$ 113,052,000

Robins Industries Corp.

75 Austin Boulevard
Commack, New York 11725
(516) 543-5200

Officers: Herman D. Post, president; Stuart J. Caine, v.p.-Sales Distributor Div.; Jacob Friedland, v.p.-Sales OEM Division; Blanche S. Post, secretary.

Directors: Herman D. Post, Blanche S. Post, Richard Felix, Lloyd Mathers, Donald D. MacAlpine, Walter V. Ronner.

Areas of Work: Engaged in the production and marketing of accessories for the tape recording, audio and hi-fi fields, data processing and communication fields. Products include tape splicers, demagnetizers, winders, encoders, record cleaners, patch cords, etc.

Subsidiaries:

Robins Overseas Corp. (DISC)
Export of Robins' products.

Transfer Agent(s):

American Transfer Co.
44 Beaver Street
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Ticker Symbol: RBBI

Number of Employees:

1980	125	1978	100
1979	125		

Plant Footage:

1980	50,800 sq. ft.	1978	50,000
1979	50,800		

Sales and Earnings

	Net Sales	Net Income
1980	$ 3,580,192	$ 82,340
1979	3,058,694	146,326
1978	3,287,037	103,879
1977	3,218,940	179,561
1976	2,777,979	42,381

	No. of Com. Shares	Earn. per Share ‡
1980	321,198	$0.25
1979	330,538	0.44
1978	337,669	0.30
1977	351,923	0.51
1976	357,884	0.12

‡ Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,032,657	$6.33
1979	1,988,143	6.01
1978	1,870,365	5.54
1977	1,844,203	5.24
1976	1,669,261	4.66

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 3,580,192	$ 3,058,694
Cost of sales	2,671,680	2,150,462
Expenses	953,770	734,290
Mics.	23,525	(5,852)
Royalty income	(90,040)	(49,187)
Invest. income	(31,555)	(21,365)
Interest expense	3,064	12,520
Loss on invest.	19,708	17,000
Income before taxes	$ 77,090	$ 220,826
Income taxes (credit)	(5,250)	74,500
Net Income	$ 82,340	$ 146,326

* Included in Costs and Expenses, Depreciation and Amortization: $102,261 in 1980 and $94,839 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 350,620	$ 162,780
Invest. in mutual bond fund	—	159,753
Accts. receiv., net	420,910	352,682
*Inventories	732,062	793,067
Refundable taxes	80,968	—
Prepaid expenses & other assets	20,841	35,180
Current Assets	$ 1,605,401	$ 1,503,462
# Fixed assets	1,037,646	980,543
Other assets	171,198	230,200
Total Assets	$ 2,814,245	$ 2,714,205

Liabilities

Long-term debt, curr.	$ 64,900	$ 42,819
Accts. payable	187,555	171,905
Accruals & other liabilities	71,879	60,343
Income taxes	25,217	68,559
Curr. Liabilities	$ 349,551	$ 343,626
Long-term debt	432,037	382,436
+ Common stock	40,600	40,600
Add. paid-in capital	362,802	362,802
Retained earnings	1,855,325	1,772,985
Unrealized loss on marketable securities	(56,600)	(46,500)
Treasury stock	(169,570)	(141,744)
Total Liabilities & Shareholders' Equity	$ 2,814,245	$ 2,714,205

* At lower of cost (FIFO) or market.
# Less accumulated depreciation & amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	7.22
%Net Income to Sales	2.30	4.78
%Net Income to Equity	4.05	7.36
Sales to Inventories	4.89	3.86
Working Capital	$ 1,255,850	$ 1,159,836
Current Ratio	4.59	4.38
Shareholders' Equity	$ 2,032,657	$ 1,988,143

Robinson-Halpern Company

One Apollo Road
Plymouth Meeting, Pennsylvania 19462
(215) 825-9200

Officers: Ivan E. Robinson, chairman of the board, president & treasurer; Ruth M. Currier, secretary.

Directors: Ivan E. Robinson, chairman; Walter Friedrich, William F. Hamilton.

Areas of Work: Design, manufacture and sale of electronic instrumentation for measurement and control of pressure, temperature and displacement. The primary products are transducers.

Transfer Agent(s):

Provident National Bank
Philadelphia, Pennsylvania

Stock Exchange(s): Over-the-Counter

Ticker Symbol: RHAL (NASDAQ)

Plant Footage:

1980	20,000 sq. ft.	1977	20,000
1979	20,000	1976	20,000
1978	20,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 2,036,614	$ 30,375
1979	1,667,411	(8,494)
1978	1,783,713	23,289
1977	1,740,316	36,238
1976	1,455,860	12,162

	No. of Com. Shares †	Earn. per Share
1980	289,175	$0.11
1979	301,570	—
1978	333,765	0.07
1977	361,175	0.10
1976	373,675	0.03

(Loss)
† Weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 1,068,648	$3.70
1979	1,038,273	3.44
1978	1,114,434	3.34
1977	1,111,528	3.08
1976	1,087,790	2.91

‡ Based on the weighted average number of shares outstanding.

Income Account *

Year ended	4/30/80	4/30/79
Net sales	$ 2,036,614	$ 1,667,411
Cost of sales	1,360,139	1,065,737
Expenses	569,287	568,857
Interest expense	66,113	45,447
Income (loss) before taxes	$ 41,075	$ (12,630)
Income taxes (credit)	10,700	(4,136)
Net Income (Loss)	$ 30,375	$ (8,494)

* Included in Costs and Expenses, Depreciation and Amortization: $43,283 in 1980 and $46,921 in 1979.

Assets

As of	4/30/80	4/30/79
Cash	$ 15,425	$ 11,067
Accts. receiv., net	444,411	320,840
Notes receivable	—	3,986
* Inventories	734,837	694,489
Prepaid expenses	38,399	34,408
Current Assets	$ 1,233,072	$ 1,064,790
# Fixed assets	481,327	508,565
Other assets	87	11,921
Defer. charges & intangibles	248,656	256,822
Total Assets	$ 1,963,142	$ 1,842,098

Liabilities

Notes payable	$ 150,000	$ 98,666
Long-term debt, curr.	50,000	58,056
Accts. payable	218,543	159,024
Accrued liabilities	116,330	89,171
Income taxes	10,780	3,067
Curr. Liabilities	$ 545,653	$ 407,984
Long-term debt	348,841	395,841
+ Common stock	38,720	38,720
Add. paid-in capital	947,935	947,935
Retained earnings	201,423	171,048
Treasury stock	(119,430)	(119,430)
Total Liabilities & Shareholders' Equity	$ 1,963,142	$ 1,842,098

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value; $0.10 stated value.

Statistical Summary

%Income bef. Taxes to Sales	2.02	—
%Net Income to Sales	1.49	—
%Net Income to Equity	2.84	—
Sales to Inventories	2.77	2.40
Working Capital	$ 687,419	$ 656,806
Current Ratio	2.26	2.61
Shareholders' Equity	$ 1,068,648	$ 1,038,273

ROCKOR Inc.

York Center
Redmond, Washington 98052
(206) 885-5000

Officers: George S. Sutherland, chairman & chief executive officer; Bernard F. Beckelman, president & chief operating officer; Robert G. Sanderson, vice president-finance & treasurer; Kevin P. Teismann, secretary & general counsel.

Directors: George S. Sutherland, chairman; Bernard F. Beckelman, Marvyn Carton, Wallace Birnbaum, Curtis P. Lindley, James G. McCuroy, Moritz Milburn, Hugo E. Oswald, Jr., E. Hornsby Wasson.

Areas of Work: Develops, designs, manufactures, and sells monopropellant hydrazine rocket engines, energy systems (principally high voltage generators and particle accelerators), data collection equipment (principally fault reporting and monitoring equipment), explosive systems for the stimulation of gas and oil wells, heating systems using geothermal and cogeneration systems, power control systems for aircraft, power conversion for transport systems.

Divisions and Subsidiaries:

Rocket Research Company
York Center
Redmond, Washington 98052
(206) 885-5000

Rocket engines and propulsion systems; gas generators; automotive products; chemical technology;energy R & D; manufacturing/test services.

Physics International Company
2700 Merced Street
San Leandro, California 94577
(415) 357-4610

Engaged in the production of pulsed power systems, piezoelectric actuators, advanced computer codes, and nuclear weapons effects simulators. Also engaged in shock dynamics research, fusion power research, and nuclear weapons effects testing and analysis.

Larse Corporation
4600 Patrick Henry Drive
Santa Clara, California 95050
(408) 988-6600

Engaged in the design and production of digital communication and status monitoring equipment, computer-based fault reporting and control systems for the telecommunications industry, and fire and burglar alarm systems.

Petroleum Technology Corporation
14955 N.E. 90th
Redmond, Washington 98052
(206) 885-5000

Engaged in the production of oil and gas well explosive simulation systems and underground explosive fracturing for resource extraction.

Pacific Electro Dynamics, Inc.
14229 S.E. Eastgate Way
Bellevue, Washington 98007
(206) 747-7400

Produces different electronic sevices for power supply audio systems, and ground support equipment in commercial and military aircraft.

Trans Energy Systems
14711 N.E. 29th Place
Bellevue, Washinton 98007
(206) 885-5000

Designs energy systems using cogeneration, geothermal, and solid waste energy.

Acquisition(s):

Nor'West Pacific Corporation

An engineering firm specializing in steam power and cogeneration systems.

Emery Telecommanications
Foster City, California

Develops portable test systems used by telephone companies and manufacturers.

Transfer Agent(s):

Seattle-First National Bank
Seattle, Washington

Ticker Symbol: ROCK (NASDAQ)

Number of Employees:

1980	1,100	1978	780
1979	800	1977	700

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 53,044,000	$ 3,238,000
1979	39,735,000	2,749,000
1978	34,497,000	2,257,000
1977	27,062,928	1,737,860
1976	21,649,192	1,019,066

	No. of Com. Shares	Earn. per Share ‡ #
1980	3,765,000	$0.82
1979	3,618,000	0.72
1978	3,570,000	0.60
1977	3,502,678	0.48
1976	3,277,267	0.31

‡ Including extraordinary gains of $1,009,000 ($0.26 per share) in 1980, $1,220,000 ($0.32 per share) in 1979, $1,013,000 ($0.27 per share) in 1978, $767,000 ($0.21 per share) in 1977 and $392,000 ($0.12 per share) in 1976.

# Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1980	1979
Aerospace & defense	$ 38,651,000	$ 28,935,000
Telecommunications	5,079,000	4,613,000
Explosive systems	5,561,000	4,100,000
Other	3,753,000	2,087,000
Total	$ 53,044,000	$ 39,735,000

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 24,515,000	$6.51
1979	20,471,000	5.66
1978	17,493,000	4.90
1977	14,979,353	4.27
1976	12,131,938	3.69

Income Account *

Year ended Oct. 31	1980	1979
Net sales	$ 53,044,000	$ 39,735,000
Cost of sales & expenses	49,316,000	36,829,000
Interest expense	304,000	104,000
Income before taxes	$ 3,424,000	$ 2,802,000
Income taxes	1,195,000	1,275,000
Net Income	$ 2,229,000	$ 1,527,000
Extraord. gain	1,009,000	1,222,000
Net Income & extraord. gain	$ 3,238,000	$ 2,749,000

*Included in Costs and Expenses, Depreciation and Amortization: $1,252,000 in 1980 and $996,000 in 1979.

Assets

As of Oct. 31	1980	1979
Cash	$ 621,000	$ 2,422,000
Accts. receiv., net	16,939,000	12,725,000
*Inventories	5,835,000	2,591,000
Prepaid exp. & deposits	468,000	147,000
Current Assets	$ 23,863,000	$ 17,885,000
# Fixed assets	10,404,000	6,598,000
Other assets	7,468,000	4,549,000
Total Assets	$ 41,735,000	$ 29,032,000

Liabilities

Notes payable	$ 775,000	$ —
Accts. payable	6,038,000	3,970,000
Long-term debt, curr.	252,000	183,000
Acccrued payroll & other liabilities	4,291,000	3,015,000
Curr. Liabilities	$ 11,356,000	$ 7,168,000
Long-term debt	5,315,000	1,104,000
Excess of net assets over price of subs.	262,000	289,000
Minority interest	287,000	—
+ Common stock	19,145,000	18,451,000
Retained earnings	5,370,000	2,132,000
Treasury stock	—	(112,000)
Total Liabilities & Shareholders' Equity	$ 41,735,000	$ 29,032,000

*At lower of average cost or estimated realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income before Taxes to Sales	6.46	7.06
%Net Income to Sales	4.20	3.84
%Net Income to Equity	9.09	7.46
Sales to Inventories	9.09	15.34
Working Capital	$ 12,507,000	$ 10,717,000
Current Ratio	2.10	2.50
Shareholders' Equity	$ 24,515,000	$ 20,471,000

Rockwell International Corporation

600 Grant Street
Pittsburgh, Pennsylvania 15219
(412) 565-2000

Officers: Robert Anderson, chairman of the board & chief executive officer; Donald R. Beall, president & chief operating officer; Martin D. Walker, sr. v.p. & pres., Automotive Operations; Kent M. Black, v.p. & pres., Commercial Electronics Operations; Robert A. DePalma, v.p.-finance & chief financial officer; J.A. Earley, v.p.-corp. development; H.E. Fikse, controller & principal accounting officer; Richard W. Foxen, v.p.-int'l; Kenneth B. Gay, v.p.-purchasing; William J. Hamilton, Jr., v.p. & pres., General Industries Operations;

George W. Jeffs, v.p. & pres., North American Space Operations; E.A. Loeser, v.p.-operations; James A. McDivitt, v.p.-strategic management; William L. Neely, treasurer; Carl J. Oles,v.p.-personnel; Samuel Petok, v.p.-communications; John J. Roscia, v.p. & general counsel;C.E. Ryker, v.p.-corp. finance-major programs; Paul E. Schubert, general auditor; W.F. Swanson, Jr., secretary; Donald J. Yockey, v.p. & pres., Defense Electronics Operations.

Directors: Robert Anderson, Donald R. Beall, Robert A. DePalma, Robin Chandler Duke, Fred L. Hartley, J. Clayburn La Force, Jr., Frederick G. Larkin, Jr., William H. Muchnic, Henry T. Mudd, Bruce M. Rockwell, S. Kent Rockwell, W.F. Rockwell,Jr., William R. Roesch, William A. Seifert, Jr., Robert E. Seymour, Ross D. Siragusa, Jr., William S. Sneath, Joseph F. Toot, Jr., Martin D. Walker.

Areas of Work: Rockwell International Corporation is a diversifid corporation engaged in research and development, and the manufacture and sale of many products for commercial and government markets. The company's operations are conducted in the following industry segments:

Automotive Operations' principal business is the manufacture and sale of various proprietary components for heavy-duty vehicles used on and off the highway. Automotive Operations designs and manufactures a broad line of axles for heavy duty appications for on and off highway vehicles, including single and tandem drive axles, driving and non-driving front axles, trailer axles, rigid and steering planetary axles and driving steering axles. Also, designs and manufactures a complete line of heavy duty brakes and brake assemblies and components for use in the transportation, construction, mining, farming, forestry and industrial fields; maufactures and sells special drives and transmissions, univeral joints and drivelines, gear boxes, springs and plastic hood, door and fender assemblies for these vehicles. Approximately three-quarters of the Operations' sales in fiscal 1980 were of components for medium and heavy-duty highway vehicles (such as trucks, buses and trailers) and components for heavy-duty off-highway and special purpose vehicles (used in road-building and other heavy construction; mining, forestry and agriculture).

The Automotive Operations also manufactures and sells drivelines, springs and plastic components and accessories for light trucks and passenger cars, and steel and cast aluminum wheels, wheel covers, sun roofs, window regulators, door latches and door locking systems for passenger cars. In addition, the Operations manufactures and sells large steel castings, including those used in military cast armor programs and diesel locomotive.

Aerospace Operations' principal space activity is the Space Shuttle Program for NASA. The Space Shuttle is designed to be a reusable space transportation system for delivery of payloads into near-earth orbit an to provide an orbital launch platform for other spacecraft and a capability for satellite and space vehicle retrieval, maintenance and repair. The Space Transportation System Development & Production Division is prime contractor to develop the Space Shuttle orbiters and to provide program integration. The production contract currently provides for the building of four operational shuttle craft. The Rocketdyne Division is prime contractor to develop and produce the main engines of the orbiter. In addition the Space Operations & Satellite Systems Division is providing planning, site activation, and mission support services for the Space Shuttle program at Kennedy Space Center. These programs are being performed under cost-type contracts funded on an incremental basis.

The Space Transportation System Development & Production Division is also developing the NAVSTAR Global Positioning System for the Department of Defense. Thissystem, using 18 NAVSTAR satellites, will provide precise navigational information to users throughout the world.

The Rocketdyne Division is working under a United States Air Force contract for the full-scale engineering development of the fourth stage (including engines, structures and propellant systems) of Missile X, the successor to the Minuteman Intercontinental Ballistic Missile. The Rocketdyne Division also develops and manufactures large liquid rocket engines for space and military application, small rocket engines for attitude and reentry control and water-jet propulsors. The Division also engages in various research and development activities, including laser programs.

The Aircraft Group is continuing flight testing, engineering and development of the B-1 aircraft under a cost-type U.S. Air Force contract. Four B-1 prototype aircraft have been completed and testing is continuing on one of the aircraft. A derivative version of the B-1 is a candidate as a multi-role bomber, which may be the next generation of strategic aircraft developed by the United States. The Group has delivered to NASA two sub-scale HiMat (highly maneuverable aircraft technology) remotely piloted research aircraft which are being tested. Among the Group's other military aircraft activities are the development under contract of a prototype V/STOL (vertical/short take off and landing) fighter/attack aircraft for the United States Navy and development contracts relating to manned aircraft of the future.

The Aircraft Group is engaged in subcontract work on commercial aircraft produced by other companies, principally work on the Boeing 747 aircraft and on two major fuselage sections of the new Boeing 757 aircraft. The Group also manufactures Sabreliner business jets which are principally sold by the Company's own sales force.

The Defense Electronics Operations provides the United States and foreign governments with high technology electronic equipment and systems for military navigation, communication, command and control electro-optics, missile systems, and other specialized applications. The Operations manufacture a broad spectrum of radio transceivers for various military applications that range from very low frequency to extremely high frequency. The products are combined with other ancillaryitems to form integrated command control communications systems such as the Navy TACAMO aircraft-to-submarine communications system and the Air Force Satellite Communications System. The Defense Electronics Operations manufactures guidance and control systems for the Minuteman III intercontinental ballistic missile and is the principal supplier of the inertial navigation systems for the Navy's ballitic missile and attack submarine fleets. The Operations is engaged in work under a United States Air Force contract for the full-scale engineering and development of the Missile X flight computer and guidance and control system integration. The Operations is working on contracts for both ground and airborne high frequency communication equipment for the modernization programs of the U.S. and NATO forces.

The Operations is also prime contractor for the GBU-15 guided weapon (Pavestrike), which is in limited production and the Hellfire anti-tank missile, which continues in development.

The Commercial Electronics Operations supplies avionics, telecommunications transmission and switching equipment, semiconductor devices and interconnect subsystems to commercial and government customers worldwide. The divison supplies communications, navigation, flight control and other avionics systems to the air transport, general aviation and government markets. Major customers include aircraft manufacturers, airlines, private aircraft operators, and the United States and foreign governments. Among its contracts are orders from pilot systems for the Boeing 757 and 767 aircraft and orders from several general and business aviationaircraft manufacturers for complete avionics systems. Also, is the prime contractor for the TACAN military airborne navigation system which is in production.

The Commercial Electronics Operations supplies telecommuniations transmission, switching and related equipment to a broad range of customers in the United States and foreign countries. In February 1980, the Company acquired Wescom, Inc., a maufacturer of telecommunications equipment including a line of PABX Switching equipment. Telecommunications customers include telephone companies, common carriers, governments, and organizations with private communications networks such as airlines, financial institutions and railroads. Sales to these customers are made directly by Company personnel and through distributors. The Electronic Devices Division manufactures a broad range of semiconductor devices and interconnect subsystems. It is a supplier of microprocessors, communication devices, and memory circuits to telecommunications, business equipment and commercial electronics markets worldwide.

Flow Control & Municipal & Utility Divisions manufacture and sell measurement and control equipment for gas, water and other fluids in the energy, utility and construction markets and a broad line of valves used for a variety of applications in nuclear and fossil systems for the energy and power generation markets. Other products include valve lubricants, pipe clamps and couplings. Primary customrs for these products are electric, gas and water utilities, oil companies, municipalities and building contractors, as well as chemical companies. These products are sold by the Company directly and through distributors and agents. The Company is one of the largest manufacturers of flow measurement equipment and quality industrial valving.

The Energy Systems Group participates in the development of the liquid metal fast breeder reactor and in the production of safety equipment for conventional light water nuclear reactors, and the detcontaminaton and decommissioning of nuclear facilities. The Group also operates a liquid metal development center for the fast breeder effort of the Department of Energy (DOE) and is active in the development of other alternative energy sources. The Group provides chemical processing, waste management and site support services at DOE's Hanford Project near Richland, Washington and operates the DOE's Rocky Flats Plant near Denver, Coloradowhich is engaged in nuclear weapons components manufacturing. The Group is continuing development work under DOE contracts in the coal gasification and liquefaction processes. The Group also supplies commercial desulfuriztion systems and environmental monitoring systems to utilities and industry.

The Company's Graphic Systems Division manufactures and sells high-speed printing presses and related equipment used principally for printing newspapers. Products include the Metroline press designed for large metropolitan daily newspaper and the HV, Urbanite and Community presses units designed for medium size daily and weekly newspapers and commercial printers. The Company believes it is the largest manufacturer of web offset newspaper printing presses in the world. The Division also manufactures and sells automatic mailroom equipment and purchases for resale a line of commercial sheet-fed presses and related equipment.

The Company's textile businesses manufacture, puchase for resale, and sell industrial sewing machines and various looms, loom components and accessories for the textile industry. Graphic arts equipment, looms and sewing machines, are sold by the Company's own sales force and through distributors and agents.

The Power Tool Division manufactures and sells, through its own sales force, independent distributors and agents, power tools for the construction, general industrial and consumer markets. It manufactures industrial stationary tools for both metal and woodworking; pneumatic tools and specialty tools for the general industrial market; portable electric power tools for the building trades; and home workshop power tools for the consumer market.

Divisions and Subsidiaries:

Operations:
Automotive Operations
2135 West Maple Road
Troy, MI 48084
(313) 435-1000

Group.
Heavy Vehicle Group
2135 West Maple Road
Troy, MI 48084
(313) 435-1000

Divisions:
Axle International Division
2135 West Maple Road
Troy, MI 48084
(313) 435-1000

Highway Brake Division
2135 West Maple Road
Troy, MI 48084
(313) 435-1000

Off-Highway Prods. Div.
2135 West Maple Road
Troy, MI 48084
(313) 435-1000

Service Parts Div.
2135 West Maple Road
Troy, MI 48084
(313) 435-1000

Trailer Axle Division
Bellefontaine Road
Kenton, Ohio 43326
(419) 674-4051

Truck Axle Div.
2135 West Maple Road
Troy, MI 48084
(313) 435-1000

Universal Joint Division
2135 West Maple Road
Troy, MI 48084
(313) 435-1000

Rockwell International Corporation

Group:
Light Vehicle Group
2135 West Maple Road
Troy, MI 48084
(313) 435-1000
Divisions:
Mechanical Devices Div.
2135 West Maple Road
Troy, MI 48084
(313) 435-1000

Suspension Components Div.
2135 West Maple Road
Troy, MI 48084
(313) 435-1000

Wheel & Trim Div.
2135 West Maple Road
Troy, MI 48084
(313) 435-1000

Divisions:
Automotive Electronics Div.
2135 West Maple Road
Troy, MI 48084
(313) 435-1000

Plastics Div.
2135 West Maple Road
Troy, MI 48084
(313) 435-1000

Supply Div.
2135 West Maple Road
Troy, MI 48084
(313) 435-1000

Commercial Operations:
Electronics Operations
1200 North Alma Road
Richardson, TX 75081
(214) 996-5000

Avionics Group
400 Collins Road, N.E.
Cedar Rapids, IA 52406
(319) 395-1000

Collins Air Transport Div.
Collins General Aviation Div.
Collins Government Avionics Div.
400 Collins Road, N.E.
Cedar Rapids, IA 52406
(319) 395-1000

Collins Transmission Systems Div.
1200 North Alma Road
Richardson, TX 75081
(214) 996-5000

Communication Switching Systems Div.
1200 North Alma Road
Richardson, TX 75081
(214) 996-5000

Data Communication Div.
1200 North Alma Road
Richardson, TX 75081
(214) 996-5000

Electronic Devices Div.
1200 North Alma Road
Richardson, TX 75081
(214) 996-5000

Defense Electronic Operations
3370 Miraloma Avenue
Anaheim, CA 92803
(714) 632-8111

Divisions:
Autonetics Marine Systems Div.
3370 Miraloma Aveue
Anaheim, CA 92803
(714) 632-8111

Autonetics Strategic Systems Div.
3370 Miraloma Avenue
Anaheim, CA 92803
(714) 632-8111

Collins Communications Systems Div.
1200 North Alma Road
Richardson, TX 75081
(214) 996-5000

Collins Telecommunications Products Div.
855 35th Street, N.E.
Cedar Rapids, Iowa 52506
(319) 395-1000

Group:
Energy Systems Group
8900 DeSoto Aveue
P.O. Box 309
Canoga Park, CA 91304
(213) 341-1000

Divisions:
Atomics Intl. Div.
8900 DeSoto Avenue
P.O. Box 39
Canoga Park, CA 91304
(213) 341-1000

Energy Technology Engineering Center
8900 DeSoto Avenue
P.O. Box 1449
Canoga Park, CA 91304
(213) 341-1000

Environmental & Energy Systems Div.
8900 DeSoto Avenue
P.O. Box 309
Canoga Park, CA 91304
(213) 341-1000

Missile Systems Div.
4300 East Fifth Avenue
Columbus, Ohio 43216
(614) 239-3344

Rockwell-Hanford Operations
P.O. Box 800
Richland, WA 99352
(509) 942-7411

Rocky Flats Plant
P.O. Box 464
Golden, CO 80401
(303) 497-7000

General Industries Operations
400 North Lexington Avenue
Pittsburgh, PA 15208
(412) 247-3000

Operations:
General Industries Operations
400 North Lexington Avenue
Pittsburgh, PA 15208
(412) 247-3000

Divisions:
Flow Control Div.
400 North Lexington Avenue
Pittsburgh, PA 15208
(412) 247-3000

Graphic Systems Div.
3100 South Central Avenue
Chicago, IL 60650
(312) 656-2800

Municipal & Utility Div.
400 North Lexington Avenue
Pittsburgh, PA 15208
(412) 247-3000

Power Tool Div.
400 North Lexington Avenue
Pittsburgh, PA 15208
(412) 247-3500

Rockwell Draper Div.
P.O. Box 18100
Greenboro, N.C. 27419
(919) 852-4200

Group:
Aircraft Group
2230 East Imperial Highway
El Segundo, CA 90245
(213) 647-5000

Divisions:
General Aviation Div.
5000 North Rockwell Avenue
Bethany, OK 73008
(405) 789-5000

North American Aircraft Div.
815 Lapham Street
Los Angeles, CA 90009
(213) 647-1000

Sabreliner Div.
6161 Aviation Drive
St. Louis, MO 63134
(314) 731-2260

Tulsa Div.
2000 North Memorial Drive
Tulsa, OK 74151
(918) 835-3111

Operations:
North American Space Operations
2230 East Imperial Highway
El Segundo, CA 90245
(213) 647-5000

Rocketdyne Div.
6633 Canoga Avenue
Canoga Park, CA 91304
(213) 884-4000

Space Operations and
Satellite Systems Div.
12214 Lakewood Boulevard
Downey, CA 90241
(213) 594-3311

Space Transportation System
Development & Production Div.
12214 Lakewood Boulevard
Downey, CA 90241
(213) 922-2111

Principal Worldwide Operations:

Rockwell International Limited
London, England

Rockwell International Overseas Corporation
Tokyo, Japan

Ensign Trading Company, Limited
Taipei, Taiwan

Automotive Businesses:

Australia
Sunshine, Victoria: Rockwell Standard of Australia Ltd.
Preston, Victoria: Wilmot Breeden (Australia) Pty. Ltd.

Brazil
Limerira, Sao Paulo:
Rockwell do Brasil Industria e Comercio Ltda.
Braseixos S.A.

Canada
Rockwell International of Canada Ltd.
Barrie, Bracebridge, Chatham, Downsview, Gananoque,
Lacolle, Milton, Mississauga, Tilbury.

France
Rungis-Cedex:
Rockwell International S.A.

Germany, F.R.
Frankfurt::Rockwell Golde G.m.b.H.
Alzenau/Unterfranken:
Rockwell Bremsen

Italy
Como: Rockwell-Golde Italiana S.p.A.

United Kingdom
Alcester: Rockwell-Maudslay Limited
Birmingham: Wilmot Breeden Limited
W B Bumpers Limited
Cheltenham: Servotel Controls Limited, Telehoist Limited
London: Rockwell Inernational Limited
Southwell, Nottinghamshire: ACS Engineering Ltd.
Wolverhampton: Rockwell-Thompson Limited

Electronics Businesses:

Australia
Canberra City, Lilydale, Tullamarine:
Rockwell-Collins (Australasia) Pty. Limited

Belgium
Brussels: Rockwell-Collins International, Inc.

Brazil
Rio De Janeiro:
Rockwell do Brasil, Ltda.
Rockwell-Collins Division

Canada
Mississauga, Ottawa, Toronto:
Toronto: Rockwell International of Canada Ltd.
Collins Canada Division

Egypt
Cairo: Rockwell Collins International, Inc.

France
Rungis Cedex & Blagnac:
Rockwell-Collins France S.A.

Germany, F.R.
Frankfurt & Rodgau: Rockwell-Collins G.m.b.H.

Hong Kong
Rockwell-Collins (Far East) Limited

Italy
Rome: Rockwell-Collins Italiana S.p.A.

Malaysia
Kuala Lumpur: Rockwell-Collins (Australasia) Pty. Ltd.

Mexico
Mexico D.F.: Rockwell-Collins de Mexico, S.A.

Philippines: Manila:
Rockwell-Collins (Far East) Ltd.

Saudi Arabia
Riyadh, Jeddah: Collins Systems International, Inc.

South Korea
Seoul: Rockwell-Collins International, Inc.

United Kingdom
Hounslow:
Rockwell-Collins International, Inc.
High Wycombe, Wescom (U.K.) Ltd.
Reading: Rockwell-Collins (U.K.) Limited

General Industries Businesses:

Brazil
Limeira, Sao Paulo:
Rockwell do Brasil Industria e Comercio Ltda.

Canada
Barrie, Calgary, Mississauga, Don Mills, St. Laurent, Vancouver,
Guelph: Rockwell International of Canada Ltd.

France
Boulogne: Rockwell-Rimoldi France S.A.
Paris, Unieux: Rockwell Valves S.A.
Paris:
Rockwell Systemes Graphiques S.A.

Germany
Obertshausen: Rockwell Graphic Systems, Inc.
Reutlingen: Rockwell-Rimoldi G m.b.H.

Ireland
Limerick: Draper-Erin Ltd.

Italy
Milan, Rockwell-Rimoldi, S.p.A.

Mexico
Mexico D.F.:
Draper de Mexico S.A. de C.V.

Spain
Barcelona: Rimoldi Espanola, S.A.

United Kingdom
Leicester:
Rockwell-Rimoldi (Great Britain) Ltd.
London, Preston: Graphic System Ltd.

Transfer Agent(s):

Mellon Bank, N.A. (common stock; $4.75 convertible preferred, Series A; $1.35 convertible preferred, Series B)
Mellon Square
Pittsburgh, Pennsylvania 15230
2 Broadway
New York, New York 10004

The First National Bank of Boston
(common stock & $4.75 convertible preferred, Series A)
Boston, Massachusetts 02102

National Bank of Detroit
Detroit, Michian 48232

United California Bank
Los Angeles, California 90051

The Royal Trust Company
Toronto, Ontario, Canada M5W 1P9

The First National Bank of Chicago
(common stock; $1.35 convertible preferred, Series B)
Chicago, Illinois 60670

Stock Exchange(s): New York, Boston, Midwest, Pacific, Philadelphia, Toronto, Basel, Geneva, Lausanne, Zurich, Frankfurt, London.

Ticker Symbol: ROK

Number of Employees:

1980	108,199	1977	115,162
1979	114,452	1976	119,117
1978	114,208		

Plant Footage:

1980	49,500,000 sq.ft.	1977	52,000,000
1979	50,100,000	1976	52,400,000
1978	52,800,000		

Sales and Earnings

	Net Sales † (000's)	Net Income (000's)
1980	$ 6,906,500	$ 280,200
1979	6,176,400	261,100
1978	5,308,800	176,600
1977	5,390,500	144,100
1976	4,691,200	122,200

	No. of Com. Shares #	Earn. per Share #
1980	73,700,000	$3.77
1979	70,000,000	3.66
1978	68,100,000	2.51
1977	65,500,000	2.09
1976	63,300,000	1.79

# Based on weighted average number of shares outstanding adjusted to reflect stock split.
† Of continuing operations only.

Revenues By Line of Business
(000's)

	1980	1979
Automotive operations	$ 1,735,000	$ 1,838,000
Electronics operations: Guidance & control, avionics and telcommunications systems & equipment, devices and calculator products	1,696,000	1,530,000
Aerospace Operations	2,042,000	1,625,000
Energy	584,000	477,000
Graphics, textile & other	850,000	706,000
Total	$ 6,907,000	$ 6,176,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$1.35	—	2-for-1
1979	1.25	—	—
1978	1.10	—	—
1977	1.075	—	—
1976	1.00	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity ‡ (000's)	Equity Per Share †
1980	$ 1,692,300	$22.56
1979	1,449,300	20.27
1978	1,232,200	17.87
1977	1,102,100	16.58
1976	1,031,500	15.50

‡ After allowing for Series A and Series B preferred stock at total liquidation value.
† Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Sept. 30	1980	1979
Net sales	$ 6,906,500	$ 6,176,400
Other income	146,200	112,400
Total Income	$ 7,052,700	$ 6,288,800
Cost of sales	5,605,300	4,971,600
Expenses	874,900	768,400
Interest expense	46,800	62,400
Income before taxes	$ 525,700	$ 486,400
Income taxes	245,500	225,300
Net Income	$ 280,200	$ 261,100

* Included in Costs and Expenses, Depreciation: $151,800 in 1980 and $128,200 in 1979.

Assets
(000's)

As of Sept. 30	1980	1979
Cash	$ 741,700	$ 633,600
Accts. & notes receiv., net	1,046,200	1,060,100
* Inventories	1,175,400	1,092,600
Prepaid expenses	33,500	31,800
Current Assets	$ 2,996,800	$ 2,818,100
Investments	130,900	156,900
# Fixed assets	1,154,000	1,044,300
Other assets	149,200	108,300
Total Assets	$ 4,430,900	$ 4,127,600

Liabilities
(000's)

Short-term borrowings	$ 41,400	$ 132,700
Accts. payable	496,900	447,900
Adv. pay. from cust.	213,600	228,500
Accrued payroll	208,300	167,600
Accruals	194,300	169,000
Income taxes	104,200	114,300
Deferred inc. taxes	541,700	434,000
Other	394,900	338,300
Curr. Liabilities	$ 2,195,300	$ 2,032,300
Long-term debt	363,600	431,000
Minority interest	12,200	17,700
Deferred inc. taxes	119,600	107,400
+ Preferred stock:		
Series A	1,000	1,300
Series B	1,400	900
+ + Common stock	75,000	35,800
Add. paid-in capital	255,200	266,300
Retained earnings	1,412,600	1,234,900
Total Liabilities & Shareholders' Equity	$ 4,430,900	$ 4,127,600

* At lower of cost (average, FIFO or LIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.
+ + $1 par value.

Statistical Summary

%Net Income to Equity	16.10	16.96
Sales to Inventories	5.88	5.65
Working Capital	$ 801,500,000	$ 785,800,000
Current Ratio	1.37	1.39
Shareholers' Equity	$1,740,200,000	$1,539,200,000

Rogers Corporation

Rogers, Connecticut 06263
(203) 774-9605

Officers: Norman L. Greenman, president & chief exec. officer; Harry H. Birkenruth, vice president-finance; Richard C. Berry, v.p.-technology; Robert L. Smith, v.p.-personnel; A. David Chesmer, v.p.-engineered products group; Solomon Baker, v.p.-industrial materials group; David P. Bell, treasurer; Howard A. Raphaelson, controller; Richard N. Bail, clerk.

Directors: Harry H. Birkenruth, Richard N. Bail, Carl N. Hansen, John P. Foley, Jr., Norman L. Greenman, Charles A. Myers, Charles F. Spiro, Brage Golding, Leonid V. Azaroff.

Divisions:

Circuit Systems Group
Williams Field & Dobson Roads
Chandler, Arizona 85224
(602) 963-4584

Manufactures Mektron ® circuits which are a family of products, including flexible circuits, keyboards, mini/bus ®, bus bars, Q Pac and molded die-stamped circuits.

Molding Materials Division
Mill and Oakland Streets
Manchester, Connecticut 06040
(203) 646-5500
(203) 643-5162-63

Manufactures fiber-reinforced thermosetting molding materials of phenolic and diallyl phthalate engineering plastics.

Fiberloys Division
Main Street
Rogers, Connecticut 06263
(203) 774-9605

Manufactures duroid and R/flex electrical insulation materials, and GP/duroid ® gasketing materials.

Poron Division
Main Street
E. Woodstock, Connecticut 06244
(203) 928-7931

Manufactures Poron ® PVC and polyurethane shoe lining materials.

Engineered Products Group-Willimantic Division
Route 32
Willimantic, Connecticut 06226
(203) 423-6323

Manufactures nitrophyl ® carburetor and fuel tank floats, engineered rubber and polyurethane parts and assemblies and Envex ® RT/duroid and Feurlon ® high performance plastics.

Engineered Products Group - Atlanta Division
5259 Minola Drive
Lithonia, Ga. 30058
(404) 981-9830

Manufactures high performance plastics and mechanically generated circuits.

Subsidiaries:

Soladyne, Inc.
San Diego, California

Servtex Corporation
2735 Lee Avenue
Sanford, North Carolina 27330
(919) 775-4331

Rogers Sales Corporation (DISC)
Rogers, Connecticut 06263
(203) 774-9605

Rogers Mexicana S.A. de C.V.
Agua Prieta, Sonora, Mexico

Mektron, N.V.
188 Afrikalaan
Ghent, Belgium

Mektron GmbH
Holzkirchen & Daaden, West Germany

Mektron France S.A.
Chateau Gontier, France

Mektron Circuit Systems Ltd.
Leatherhead, United Kingdom

Transfer Agent(s):

Hartford National Bank and Trust Company
Hartford, Connecticut 06115

Stock Exchange(s): American

Ticker Symbol: ROG

Number of Employees:

1980	2,520	1977	1,653
1979	2,490	1976	1,600
1978	2,021		

Plant Footage:

1980	913,000 sq.ft.	1977	895,000
1979	913,000	1976	915,000
1978	913,000		

Sales and Earnings ‡

	Net Sales #	Net Income
1980	$ 88,093,000	$ 279,000
1979	94,866,000	4,646,000
1978	76,690,000	3,311,000
1977	59,043,000	1,696,000
1976	50,988,000	1,609,000

	No. of Com. Shares +	Earn. per Share †
1980	2,829,950	$0.10
1979	2,748,836	1.74
1978	2,481,370	1.30
1977	2,430,170	0.69
1976	2,428,753	0.66

‡ Restated to include operations of companies acquired on a pooling of interests basis.
# of continuing operations only.
+ Adjusted to reflect stock splits.
† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1980	$0.12	—	—
1979	0.115	—	2-for-1
1978	0.095	—	5-for-4
1977	0.06	—	—

† Adjusted to reflect stock splits.

Common Stock Equity ‡

	Total Equity	Equity Per Share
1980	$ 31,223,000	$11.03
1979	30,271,000	11.01
1978	21,442,000	8.64
1977	18,083,000	7.44
1976	16,521,000	6.80

‡ Restated to include operations of companies acquired on a pooling of interests basis.

Income Account *

Year ended	12/28/80	12/30/79 ‡
Net sales	$ 88,093,000	$ 94,866,000
Cost of sales	73,307,000	72,663,000
Expenses	16,438,000	14,717,000
Gain on sale of stock	(803,000)	—
Other income	(1,976,000)	(1,419,000)
Interest expense	1,511,000	1,390,000
Income(loss)before taxes	$ (384,000)	$ (7,515,000)
Income taxes(credit)	(1,060,000)	2,869,000
Income from cont. oper.	$ 676,000	$ 4,646,000
Loss from disccount oper.	(397,000)	—
Net Income	$ 279,000	$ 4,646,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,552,000 in 1980 and $2,147,000 in 1979.
‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets

As of	12/28/80	12/30/79 ‡
Cash & short-term invest.	$ 836,000	$ 2,829,000
Receiv. from stock sale	958,000	—
Accts. reciev., net	13,899,000	15,188,000
* Inventories	15,881,000	16,460,000
Refund inc. taxes	2,355,000	—
Prepayments	2,602,000	1,852,000
Current Assets	$ 36,531,000	$ 36,329,000
Invest. in Amicon Corp.	317,000	856,000
# Fixed assets	31,836,000	26,804,000
Unexpended bond proceeds	2,778,000	3,709,000
Other assets	515,000	503,000
Intangibles	247,000	255,000
Total Assets	$ 72,224,000	$ 68,456,000

Liabilities

Notes payable	$ 648,000	$ 189,000
Long-term debt, curr.	269,000	294,000
Accts. payable	7,635,000	6,776,000
Accruals	1,575,000	1,011,000
Accrued payroll	3,826,000	4,234,000
Accrued interest	605,000	642,000
Income taxes	1,516,000	1,224,000
Other taxes	1,135,000	1,034,000
Curr. Liabilities	$ 17,209,000	$ 15,404,000
Long-term debt	20,085,000	18,769,000
Deferred inc. taxes	3,707,000	4,012,000
+ Common stock	2,830,000	2,750,000
Add. paid-in capital	15,887,000	14,964,000
Retained earnings	12,506,000	12,565,000
Treasury Shares	—	(8,000)
Total Liabilities & Shareholders' Equity	$ 72,224,000	$ 68,456,000

‡ Restated to include operations of companies acquired on a pooling of interests basis.
* At lower of cost (standard cost which approx. average actual cost) or market. Materials divisions are valued at lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Net Income to Equity	0.89	15.35
Sales to Inventories	5.55	5.76
Working Capital	$ 19,322,000	$ 20,925,000
Current Ratio	2.12	2.36
Shareholders' Equity	$ 31,223,000	$ 30,271,000

Rohr Industries, Inc.

P.O. Box 878
Chula Vista, California 92012
(714) 575-4111

Officers: Carl L. Sadler, chairman & chief exec. officer; Harry W. Todd, president & chief operating officer; Paul E. Brunton, sr. v.p.-finance & chief financial officer & treasurer; Stephen J. Rosinski, v.p.-industrial relations; Richard W. Madsen, corp. counsel & secretary D. Marshall Nelson, asst. corp. counsel & asst. secretary; Gordon Sim, v.p.-program management & technology.

Directors: F. Daniel Frost, Carl L. Sadler, Philip A. Ranney, K. Robert Hahn, James J. Kerley, Jack D. Steele, Harry W. Todd.

Areas of Work: Manufactures aircraft engine pods, or nacelles, thrust reversers and other structural and engine components for commercial, military and business aircraft. Also involved in the manufacture of components for large rocket motors and the development of advanced marine vehicles for the United States Navy.

Subsidiary:

Rohr France S. A.
Toulouse, France

Transfer Agent(s):

The First National Bank of Chicago
(common and peferred stock)
Chicago, Illinois

Stock Exchange(s): New York, Pacific

Ticker Symbol: RHR

Number of Employees:

1980	9,845	1977	6,344
1979	10,000	1976	10,600
1978	6,420		

Plant Footage:

1980	3,725,000 sq.ft.	1978	3,272,119
1979	3,610,487	1977	2,090,092

Sales and Earnings

	Net Sales + ‡ (000's)	Net Income † (000's)
1980	$ 517,100	$ 1,025
1979	392,600	22,000
1978	299,000	19,400
1977	247,300	500
1976	261,400	(53,500)

	No. of Com. Shares #	Earn. per Share # †
1980	5,190,413	$0.14
1979	4,433,815	4.90
1978	4,151,621	4.60
1977	4,116,461	0.05
1976	4,119,776	—

(Loss)
+ Includes other income.
‡ Of continuing operations only.
† Including extraordinary gains of $7,000,000 ($1.58 per share) in 1979, $8,900,000 ($2.14 per hae) in 1978 and $200,000 ($0.05 per share) in 1977.
# Based on average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Aircraft	$ 465,000	$ 328,500
Marine	36,800	42,000
Space and other	14,200	20,900
Corporate	1,100	1,200
Total	$ 517,100	$ 392,600

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$ —	—	—
1979	—	—	—
1978	—	—	—
1977	—	—	—
1976	0.10	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share +
1980	$ 73,729,711	$14.20
1979	72,639,004	16.38
1978	38,375,700	9.24
1977	18,051,216	4.39

‡ After allowing for preferred stock at aggregate liquidation value.
+ Based on average number of shares outstanding.

Income Account *

Year ended July 31	1980	1979
Net sales & other income	$ 517,128,420	$ 392,643,426
Cost of sales	465,192,219	323,066,279
Expenses	14,614,814	12,862,000
Depreciation & amortization	7,062,784	6,473,913
Interest expense	15,196,958	10,445,036
Misc. taxes	17,395,475	13,806,814
Income (loss) before taxes	$ (2,333,830)	$ 25,989,384
Income taxes (credit)	(1,950,000)	11,000,000
Income (loss) from cont. oper.	$ (383,830)	$ 14,989,384
Income from discont. oper.	1,408,453	—
Net Income	$ 1,024,623	$ 14,989,384
Extraordinary gain	—	7,000,000
Net Income & extraord. gain	$ 1,024,623	$ 21,989,384

Assets

As of July 31	1980	1979
Cash	$ 17,822,776	$ 24,358,892
Accts. receiv., net	99,411,017	70,842,118
*Inventories	151,983,390	123,524,883
Prepaid expenses	6,084,828	2,425,198
Current Assets	$ 275,302,011	$ 221,151,091
# Fixed assets	44,067,824	34,209,127
Other assets & defer. charges	5,663,726	5,361,687
Total Assets	$ 325,033,561	$ 260,721,905

Liabilities

	1980	1979
Long-term debt, curr.	$ 8,503,107	$ 1,420,947
Accts. payable	67,832,766	50,746,709
Accrued payroll	35,780,842	27,533,769
Income taxes	—	6,479,534
Other taxes	2,033,655	2,717,656
Curr. Liabilities	$ 114,150,370	$ 88,898,615
Long-term debt	117,452,000	78,577,000
Other obligations	6,057,480	5,463,286
Conv. subord. deben.	9,000,000	10,500,000
+ Preferred stock	258,000	258,000
+ + Common stock	5,179,706	5,146,218
Add. paid-in capital	43,896,759	43,585,523
Retained earnings	29,039,246	28,293,263
Total Liabilities & Shareholders' Equity	$ 325,033,561	$ 260,721,905

*At lower of average cost or estimated realizable market.
# Less accumulated depreciation.
+ $1 par value; $1.08 cumulative convertible.
+ + $1 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	—	6.62
%Net Income to Sales	—	3.82
%Net Income to Equity	1.31	19.40
Working Capital	$ 389,452,381	$ 132,252,476
Current Ratio	2.41	2.49
Shareholders' Equity	$ 78,373,711	$ 77,283,004

ROLM Corporation

4900 Old Ironsides Drive
Santa Clara, California 95050
(408) 988-2900

Officers: M. Kenneth Oshman, president; Robert R. Maxfield, Leo Chamberlain, executive vice presidents; Anthony V. Carollo, Jr., v.p. & gen. mgr.-ROLM operating companies; Robert K. Dahl, chief financial officer & v.p.-finance; Daniel O'Brien, James M. Kasson, Walter Loewenstern, Jr. Richard M. Moley, Dennis D. Paboojian, vice presidents; William C. Friedman, secretary & general counsel; Joseph A. Graziano, treasurer.

Directors: C. Lester Hogan, Burton J. McMurtry, Jack L. Melchor, M. Kenneth Oshman, Edwin E. van Bronkhorst, Robert R. Maxfield, Leo J. Chamberlain.

Areas of Work: Manufactures a line of computerized branch exchange telephone systems (CBX'S) for users with 24-4000 extensions and Mil-Spec computers designed to withstand a broad range of severe environmental conditions. These computer products are designed for a wide variety of applications to meet the diverse needs of today's intelligent military electronics systems.

Divisions:

The Telecommunications Division
Manufactures the ETS 300, an advanced and fully-featured ACD (Automatic Call Distribution) agent set, the ETS 200 Centralized Attendant Service Console and the CBX designed for military applications.

Mil-Spec Computer Division
Manufactures computers designed to withstand severe environmental forces encountered in military missions.

Transfer Agent(s):

First National Bank of Boston
50 Morrissey Boulevard
Dorchester, Massachusetts 02125

Stock Exchange(s): New York

Ticker Symbol: RM

Number of Employees:

1980	3,759	1977	695
1979	2,239	1976	430
1978	1,095		

Sales and Earnings

	Net Sales	Net Income
1980	$ 200,729,000	$ 17,340,000
1979	121,092,000	11,648,000
1978	55,815,000	3,914,000
1977	34,913,000	1,995,000
1976	20,357,000	1,264,000

	No. of Com. Shares #	Earn. per Share #
1980	7,995,000	$2.17
1979	7,810,000	1.49
1978	7,326,000	0.53
1977	6,880,000	0.29
1976	5,484,000	0.23

‡ Restated to include operations of companies acquired on a pooling of interests basis.
# Based on the weighted averge number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	2-for-1
1978	—	—	2-for-1

Common Stock Equity ‡

	Total Equity	Equity Per Share #
1980	$ 50,163,000	$6.27
1979	29,984,000	3.84
1978	16,519,000	2.25

‡ Restated to include operations of companies acquired on a pooling of interests basis.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *

Year ended	6/7/80	6/29/79 ‡
Net sales	$ 200,729,000	$ 121,092,000
Cost of sales	95,306,000	59,817,000
Expenses	71,853,000	38,117,000
Income before taxes	$ 33,570,000	$ 23,158,000
Income taxes	16,230,000	11,570,000
Net Income	$ 17,340,000	$ 11,648,000

*Included in Costs and Expenses, Depreciation and Amortization: $4,667,000 in 1980 and $1,834,000 in 1979.
‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets

As of	6/7/80	6/29/79 ‡
Cash & cash equiv.	$ 3,411,000	$ 1,913,000
Accounts receiv.	30,441,000	19,442,000
*Inventories	37,421,000	24,812,000
Prepaid expenses	1,759,000	1,380,000
Current Assets	$ 73,032,000	$ 47,547,000
# Fixed assets	44,553,000	16,541,000
Total Assets	$ 117,585,000	$ 64,088,000

Liabilities

Account payable	$ 16,314,000	$ 8,880,000
Accruals	11,858,000	7,847,000
Accrued taxes	5,035,000	7,976,000
Cust. deposits	6,086,000	1,534,000
Deferred inc. taxes	2,080,000	1,326,000
Current Liabilities	$ 41,373,000	$ 27,563,000
Long-term debt	26,049,000	6,541,000
+ Common stock	331,000	323,000
Add. paid-in capital	11,507,000	8,676,000
Retained earnings	38,325,000	20,985,000
Total Liabilities & Shareholders' Equity	$ 117,585,000	$ 64,088,000

‡ Restated to include operations of companies acquired on a pooling of interests basis.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.0425 par value.

Statistical Summary

%Income bef. Taxes to Sales	16.72	19.12
%Net Income to Sales	8.64	9.62
%Net Income to Equity	34.57	38.85
Sales to Inventories	5.36	4.88
Working Capital	$ 31,659,000	$ 19,984,000
Current Ratio	1.77	1.73
Shareholders' Equity	$ 50,163,000	$ 29,984,000

Ronyx Corporation Limited

20 Hughson Street South
Hamilton, Ontario, Canada
(416) 528-6354

Mailing address:

P.O. Box 800
Hamilton, Ontario, L8N 3M8, Canada

Officers: Ronald K. Fraser, president; G. Philip Morphy, corp. v.p.; E. Delbert Hickey, v.p.-legal; Jean E. Spacca, secretary.

Directors: Ronald K. Fraser, C. Norman Lucas, D. Donald C. McGreachy, A.G. Dragone, J. Holmes, R.D. Richmond, G.B. Sampson, G. Philip Morphy, J. Frederick Taylor.

Areas of Work: Manufactures radar, microwave and sonar detection hadware; and components for military and civilian aircraft. Also engaged in real estate activities.

Divisions:

Manufacturing Division (Fleet Industries)
(416) 871-2100

Real Estate Division (Ronark Development)
(416) 528-6354

Subsidiaries:

Arkton Corporation Limited

Transfer Agent(s):
Guaranty Trust Company of Canada
Toronto, Ontario
Vancouver, British Columbia

Stock Exchange(s): Toronto, Vancouver

Ticker Symbol: RXC

Number of Employees:

1980	965	1978	515
1979	685	1977	522

Plant Footage:

1980	500,000 sq. ft.	1977	320,437
1978	328,680		

Sales and Earnings

	Net Sales +	Net Income
1980	$ 36,728,000	$ 1,040,000
1979	32,277,000	959,000
1978	28,033,000	445,000
1977	27,545,000	859,000
1976	22,410,000	441,000

	No. of Com. Shares	Earn. per Share #
1980	2,521,000	$0.41
1979	2,521,000	0.38
1978	2,521,000	0.18
1977	2,521,000	0.34
1976	2,521,000	0.18

(Loss)
+ Includes other income.
# Based on weighted average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Manufacturing	$ 30,938	$ 20,641
Real estate	5,790	11,636
Total	$ 36,728	$ 32,277

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 8,313,000	$3.30
1979	7,273,000	2.88
1978	6,314,000	2.50
1977	5,869,000	2.33
1976	5,010,000	1.99

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 36,562,000	$ 32,081,000
Other income	166,000	196,000
Total income	$ 36,728,000	$ 32,277,000
Cost of sales & expenses	34,289,000	29,935,000
Interest and debt expense	963,000	913,000
Income before taxes	$ 1,476,000	$ 1,429,000
Income taxes	436,000	470,000
Net Income	$ 1,040,000	$ 959,000

*Included in Costs and Expenses, Depreciation and Amortization: $294,000 in 1980 and $272,000 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 134,000	$ 411,000
Deposits	10,000	26,000
Accts. receiv., net	7,784,000	4,941,000
*Inventories	17,202,000	13,402,000
Prepaid expenses	309,000	211,000
Mortgage receiv.	914,000	942,000
Current Assets	$ 26,353,000	$ 19,933,000
Land for develop.	1,651,000	2,658,000
Refundable bond	176,000	176,000
Mortgage receiv.	39,000	71,000
# Fixed assets	3,179,000	1,774,000
Defer. charges	—	6,000
Total Assets	$ 31,398,000	$ 24,618,000

Liabilities

Bank indebtedness	$ 10,617,000	$ 3,296,000
Long-term debt, curr.	1,190,000	1,439,000
Accts. payable & accruals	5,665,000	4,767,000
Mortgage payable	2,845,000	2,812,000
Income & other taxes	389,000	1,162,000
Def. inc. taxes	298,000	240,000
Curr. Liabilities	$ 21,004,000	$ 13,716,000
Long-term debt	1,881,000	3,569,000
Deferred inc. taxes	200,000	60,000
+ Common stock	2,240,000	2,240,000
Retained earnings	6,073,000	5,033,000
Total Liabilities & Shareholders' Equity	$ 31,398,000	$ 24,618,000

*Work in progress at lower of cost and realizable value; materials and supplies at lower of average cost and market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	4.04	4.45
%Net Income to Sales	2.84	2.99
%Net Income to Equity	12.51	13.19
Working Capital	$ 5,349,000	$ 6,217,000
Current Ratio	1.25	1.45
Shareholders' Equity	$ 8,313,000	$ 7,273,000

SAB Harmon Industries, Inc.

(52% owned by SAB Thulinverken AB
of Sweden)

Route 1
Grain Valley, Missouri 64029
(816) 249-3112

Officers: Robert E. Harmon, chairman of the board & president, Donald V. Rentz, v.p.-operations & secretary; Robert E. Heggestad, v.p.-Railroad Systems Div.; Charles M. Foudree, v.p.-finance, treasurer & asst. secretary; Ake Joseph Brandt, v.p.-SAB Div.; Robert G. Clawson, v.p.-marketing.

Directors: Robert C. Harmon, Robert E. Harmon, L. Ralph Thomas, Donald V. Rentz, Charles M. Foudree, Densil Allen, Ake Joseph Brandt, Alf Egon Luning, Nils Lennart Nilsson, Hans-Eric Ovin.

Areas of Work: Designs, maufactures and distributes electronic signal and communications systems and grade crossing hardware equipment for the railroad industry; also produces printed circuit boards and capacitors, and solid state sensors for coin changers used in vending machines.

Divisions:

Railroad Systems Division
Metal Products Division
Components Division
SAB Division

Subsidiaries:

M-K I-Bond Company
York, Pennsylvania
Manufactures insulated rail bond joints.

Erico Rail Products, Inc.
Cleveland, Ohio
Manufactures motion detectors, pulse modulation devices and dragging equipment detectors.

American SAB Company, Inc.
Chicago, Illinois
Produces slack adjuster equipment.

Transfer Agent(s):

United Missouri Bank of Kansas City, N.A.
Kansas City, Missouri 64141

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SHRM (NASDAQ)

Sales and Earnings

	Net Sales +	Net Income
1980	$ 27,391,000	$ 1,337,647
1979	20,955,000	1,374,962
1978	12,040,000	635,138
1977	11,064,000	739,646
1976	8,200,000	267,619

	No. of Com. Shares #	Earn. per Share #
1980	2,325,026	$0.58
1979	2,325,026	0.59
1978	2,325,026	0.27
1977	1,343,928	0.55
1976	1,139,262	0.24

+ Of continuing operations only.
# Based on average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.125	—	2-for-1‡
1979	0.125	—	—
1978	0.125	—	—

+ Adjusted to reflect stock split.
‡ Declared Nov., 1980.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 9,499,176	$4.09
1979	8,452,157	3.64
1978	7,367,823	3.17
1977	7,023,314	5.23
1976	2,533,668	2.22

‡ Based on average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 27,391,406	$ 20,954,909
Cost of sales	21,179,646	15,748,863
Expenses	3,723,174	3,130,692
Interest expense	540,765	234,196
Other expense	19,943	29,704
Interest income	(14,458)	(23,963)
Income before taxes	$ 1,942,336	$ 1,835,417
Income taxes	788,000	800,000
Inc. from cont. oper.	$ 1,154,336	$ 1,035,417
Income from discont. oper.	183,311	339,545
Net Income	$ 1,337,647	$ 1,374,962

* Included in Costs and Expenses, Depreciation and Amortization: $565,231 in 1980 and $417,543 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 389,020	$ 233,395
Receiv., net	4,975,008	4,069,042
Overpayment of income taxes	93,444	—
Contracts in progress	1,268,569	536,198
*Inventories	8,946,225	7,243,382
Prepaid expenses	116,802	85,652
Current Assets	$ 15,789,068	$ 12,167,669
# Fixed assets	4,291,455	3,262,708
Construc. fund	1,199,312	—
Other assets	72,692	65,117
Total Assets	$ 21,352,527	$ 15,495,494

Liabilities

	1980	1979
Notes payable	$ 765,000	$ 480,000
Long-term debt	198,197	296,560
Dividends payable	145,314	142,314
Accts. payable	2,111,183	2,031,506
Due to affiliates	471,830	532,432
Accrued payroll	701,499	567,376
Accruals	472,862	423,568
Billings in exc. of costs	544,928	147,797
Income taxes	—	663,888
Other taxes	14,447	12,979
Deferred inc. taxes	53,600	—
Loss on long term debt, curr.	86,208	50,578
Curr. Liabilities	$ 5,565,068	$ 5,351,998
Deferred inc. taxes	268,874	217,474
Long term debt	6,019,409	1,473,865
+ Common stock	290,628	290,628
Add. paid-in capital	4,514,848	4,514,848
Retained earnings	4,693,700	3,646,681
Total Liabilities & Shareholders' Equity	$ 21,352,527	$ 15,495,494

*At lower of cost (FIFO) or market (net realizable value).
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

	1980	1979
%Net Income to Equity	14.08	16.27
Sales to Inventories	3.06	2.89
Working Capital	$ 10,224,000	$ 6,815,671
Current Ratio	2.84	2.27
Shareholders' Equity	$ 9,499,176	$ 8,452,157

Sage Laboratories, Inc.

3 Huron Drive
East Natick Industrial Park
Natick, Massachusetts 01760
(617) 653-0844

Officers: Theodore S. Saad, president & chairman of the board; Carl A. Marguerite, v.p.-finance & treasurer; Robert P. Moncreiff, clerk.

Directors: Theodore S. Saad, Robert Elliott, R. Willis Leith, Jr., Edward M. Scheu, Jr., John E. Miller.

Areas of Work: Designs, develops and manufactures specialized components (both active and passive) and equipment used in the transmission, reception, and modification of microwave energy. Such components include regular and miniature mixers, filters, hybrids, couplers, attenuators and terminations.

Divisions:

Components Division
3 Huron Drive
Natick, Massachusetts 07160
(617) 653-0844

Transfer Agent(s):

New England Merchants National Bank
28 State Street
Boston, Massachusetts 02109

Stock Exchange(s): Boston

Ticker Symbol: SLI

Number of Employees:

1980	39	1977	38
1979	37	1976	38
1978	35		

Plant Footage:

1980	25,000 sq.ft.	1977	25,000
1979	25,000	1976	13,000
1978	25,000		

Sales and Earnings

	Net Sales ‡	Net Income #
1980	$ 2,488,783	$ 394,576
1979	1,994,069	266,674
1978	2,013,183	340,005
1977	1,907,843	270,712
1976	1,832,149	223,639

	No. of Com. Shares	Earn. per Share + #
1980	426,565	$0.91
1979	431,511	0.62
1978	431,511	0.79
1977	431,511	0.63
1976	431,511	0.52

(Loss)
‡ Of continuing operations only; includes contract revenues.
# Including extraordinary credits of $162,000 ($0.37 per share) in 1980, $109,000 ($0.25 per share) in 1979, $153,000 ($0.36 per share) in 1978, $120,000 ($0.28 per share) in 1977 and $97,500 ($0.23 per share) in 1976.
+ Based on weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,389,990	$3.26
1979	1,007,779	2.34
1978	741,105	1.72

Income Account *

Year ended June 30	1980	1979
Net sales & contract revenues	$ 2,488,783	$ 1,994,069
Cost of sales	1,431,477	1,126,822
Expenses	676,702	591,830
Oper. profit	$ 380,604	$ 275,417
Other income	—	(6,065)
Interest income	(86,690)	(44,389)
Interest expense	30,218	31,197
Income before taxes	$ 437,076	$ 294,674
Income taxes	204,500	137,000
Net Income	$ 232,576	$ 157,674
Extraord. credit	162,000	109,000
Net Income & extraord. credit	$ 394,576	$ 266,674

* Included in Costs and Expenses, Depreciation and Amortization: $88,170 in 1980 and $75,520 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 45,547	$ 114,812
Marketable securities	830,000	500,000
Accts. receiv., net	448,291	435,774
* Inventories	361,311	222,735
Prepaid expenses	23,519	11,794

Sage Laboratories, Inc.

Current Assets	$	1,708,668	$	1,285,115
# Fixed assets		511,768		441,023
Value of insurance		24,865		22,900
Prepaid inc. taxes		7,000		—
Catalog costs		54,416		72,416
Total Assets	$	2,306,717	$	1,821,454

Liabilities

Accts. payable	$	156,891	$	100,505
Accruals		135,552		96,398
Accrued payroll		176,075		157,219
Commissions		44,848		42,563
Oblig. under capital lease, curr.		14,681		13,626
Curr. Liabilities	$	528,047	$	410,311
Long-term debt		16,092		16,092
Oblig. under capital lease		372,588		387,272
+ Common stock		434,596		434,596
Add. paid-in capital		712,502		712,502
Retained earnings (deficit)		258,342		(136,234)
Treasury stock		(15,450)		(3,085)
Total Liabilities & Shareholders' Equity	$	2,306,717	$	1,821,454

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

% Income before Taxes to Sales & Rev.		17.56		14.78
% Net Income to Sales & Rev.		9.34		7.91
% Net Income to Equity		16.73		15.65
Working Capital	$	1,180,621	$	874,804
Current Ratio		3.24		3.13
Shareholders' Equity	$	1,389,990	$	1,007,779

San/Bar Corporation

9999 Muirlands Boulevard
Irvine, California 92714
(714) 855-9911

Officers: Barry K. Hallamore, chairman of the board; Robert D. Johnson, president; John H. Piel, Phil Sansone, Ray Schuessler, Robert P. Juleff, vice presidents; Robert S. Barnes, secretary.

Directors: Barry K. Hallamore, chairman; Robert D. Johnson, Lloyd G. Hallamore, Larry Velie, Robert Barnes.

Areas of Work: Develops, manufactures, markets and services systems and products for the telephone industry, including carrier systems, remote disconnect systems, ring transfer message waiting units, etc. Also produces a penetrating lubricant for weapon cleaning which is primarily sold to the Army.

Divisions:

San/Bar of Texas
2413 Shiloh Road
P.O. Box 2125, Kingsly Station
Garland, Texas 75040

Transfer Agent(s):

United California Bank
21021 Ventura Boulevard
Woodland Hills, California 91364

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SBAR (NASDAQ)

Number of Employees:

1980	435	1977	180
1979	N/A *	1976	140
1978	279	1975	135

Plant Footage:

1980	101,000 sq. ft.	1977	76,000
1979	76,000	1976	76,000
1978	76,000		

* Not Available.

Sales and Earnings

		Net Sales		Net Income ‡
1980	$	13,308,822	$	29,204
1979		11,449,017		380,741
1978		7,239,123		301,773
1977		5,365,219		(15,696)
1976		6,579,785		520,342

	No. of Com. Shares +	Earn. per Share ‡ +
1980	918,136	$0.03
1979	930,529	0.41
1978	901,789	0.33
1977	901,789	—
1976	901,789	0.58

(Loss)
‡ Including extraordinary loss of $151,250 ($0.17 per share) in 1977.
+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues By Line of Business

		1980		1979
Products	$	7,011,105	$	7,695,879
Transmission systems		370,506		—
Repairs		5,320,508		3,413,564
Chemical		606,703		339,574
Total	$	13,308,822	$	11,499,017

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.05	—	—
1979	0.10	—	—
1978	0.05	—	—
1977	0.05	—	—
1976	0.08	—	3-for-2 ‡

‡ Effected in the form of a 50% stock dividend.

Common Stock Equity

		Total Equity	Equity Per Share +
1980	$	2,742,398	$2.99
1979		2,758,291	2.96
1978		2,467,598	2.74
1977		2,210,915	2.45
1976		2,271,701	2.52

+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *

Year ended June 30		1980		1979
Net sales	$	13,308,822	$	11,449,017
Other income		301,902		276,840
Total income	$	13,610,724	$	11,725,857
Cost of sales		9,923,707		8,425,626
Expenses		3,329,313		2,690,490
Relocation costs		344,000		—
Income before taxes	$	13,704	$	609,741
Income taxes (credit)		(15,500)		229,000
Net Income	$	29,204	$	380,741

* Included in Costs and Expenses, Depreciation: $273,150 in 1980 and $179,319 in 1979.

Assets

As of June 30		1980		1979
Cash	$	50,845	$	74,684
Accts. receiv., net		2,070,358		1,524,679
Refundable income taxes		132,996		—
* Inventories		2,165,257		2,196,630
Prepaid expenses		121,109		166,510
Current Assets	$	4,540,565	$	3,962,503
# Fixed assets		1,866,813		3,481,766
Other assets		414,049		435,445
Total Assets	$	6,821,427	$	7,879,714

Liabilities

Note payable	$	700,000	$	2,391,100
Long-term debt, curr.		20,437		22,416
Accts. payable		1,533,589		891,264
Accruals		140,192		137,820
Accrued payroll		180,870		179,801
Income taxes		—		49,628
Deposits		73,626		—
Curr. Liabilities	$	2,648,714	$	3,672,029
Long-term debt		1,430,315		1,449,394
+ Common stock		90,194		90,194
Add. paid-in capital		693,801		693,801
Retained earnings		1,958,403		1,974,296
Total Liabilities & Shareholders' Equity	$	6,821,427	$	7,879,714

* At lower of cost (FIFO) or market (net realizable value).
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales		0.10		5.33
%Net Income to Sales		0.22		3.33
%Net Income to Equity		1.06		13.80
Sales to Inventories		6.15		5.21
Working Capital	$	1,891,851	$	290,474
Current Ratio		1.71		1.08
Shareholders' Equity	$	2,742,398	$	2,758,291

Sanders Associates, Inc.

Daniel Webster Highway, South
Nashua, New Hampshire 03061
(603) 885-4321

Officers: Harold W. Pope, chairman of the board; Jack L. Bowers, president & chief executive officer; M. Joel Kosheff, sr. v.p. & pres., Cal Comp Group; Albert B. Wight, sr. v.p.; Mellon C. Baird, Jr., sr. v.p. & pres., Federal Systems Group; Daniel C. Chisholm, v.p. -corp. staff; John F. Egan, v.p. -corp. development; Jay M. Farrar, group v.p. & gen. mgr., Components Products Group; James F. Gallaher, v.p. & controller; Charles H.S. Howe, v.p. -general counsel & secretary; Leo J. McLaughlin, v.p. -plant & material; Charles L. Register, v.p. -corp. staff; Martin R. Richmond, v.p. -technical staff; John A. Ruggiero, v.p. & treasurer; Robert T. Smith, v.p. -International Systems Division; Charles A. Glenday, v.p. -public affiars; Roger W. Brown, v.p. -industrial relations; Henry Brodie, v.p. -corp. computer sciences; Edward G. Lebre, v.p. -quality assurance & reliability; Everett Ashe, Lewis J. Cunningham, Salvatore P. Magnano, v.p.'s -Federal Systems Group; Norman J. Marsh, Jr., asst. secretary.

Directors: Martin R. Richmond, Harold W. Pope, Daniel C. Chisholm, Henry F. Argento, Dr. I.I. Rabi, Harry G. Bowles, William H. Osborn, Jr., Albert Wight, Jackson C. Arnold, Louis D. Miltimore, M. Joel Kosheff, Jack L. Bowers, Russell C. O'Neal, Mellon C. Baird, Jr.

Areas of Work: Engaged in research, development, engineering, and manufacturing programs relating to advanced technology electronic and electromechanical systems and products.

Federal Systems Group produces electronic countermeasure systems, antisubmarine warfare systems, electro-optics, radars, radio direction finding equipment, signal acquistion and analysis, military communications and classified programs or products for the armed services and other U.S. agencies under contract.

Component Products Group makes graphic displays and custom terminals, microwave components and devices, printed circuitry, valves and other specialized items, for use by Federal Systems Group and outside customers.

Divisions:

Federal Systems Group
Sanders Associates, Inc.
95 Canal Street
Nashua, New Hampshire 03060
(603) 885-2867

Component Products Group
Sanders Associates, Inc.
Grenier Field
Manchester, New Hampshire 03103
(603) 885-4321

Subsidiaries:

Sanders Leasing Corporation
Daniel Webster Highway, South
Nashua, New Hampshire 03060
(603) 885-3610

Sanders Leasing Limited
Bury Mead Road
Hitchin Herts, England

Airport Realty Corporation
High Point Realty Corporation
H-Tension Realty Corporation
Industrial Realty Corporation
Space Realty Corporation

All at:

Daniel Webster Highway, South
Nashua, New Hampshire 03060
(603) 885-2236

Acquisition(s):

California Computer Products, Inc. (2/19/80)
Anaheim, California
Manufactures computer graphic systems and products.

Talos Systems, Inc. (3/28/80)
Scottsdale, Arizona
Leading supplier of digitizers which are used to convert graphic information such as drawings and maps into digital data that can be processed by a computer.

Transfer Agent(s):

Chemical Bank
Corporate Trust Dept.
55 Water Street
New York, New York 10041

Stock Exchange(s): New York

Ticker Symbol: SAA

Number of Employees:

1980	6,500	1977	4,314
1979	4,271	1976	5,637
1978	4,129		

Plant Footage:

1980	2,005,000 sq.ft.	1977	1,562,000
1979	1,439,000	1976	1,703,000
1978	1,449,000		

Sales and Earnings

	Net Sales	Net Income #
1980	$ 281,057,000	$ 18,528,000
1979	164,028,000	15,283,000
1978	145,923,000	19,564,000
1977	148,627,000	(4,669,000)
1976	170,395,000	5,638,000

	No. of Com. Shares	Earn. per Share‡‡#
1980	7,777,000	$2.65
1979	6,106,000	2.37
1978	6,156,000	2.00
1977	4,761,000	1.56
1976	4,686,000	1.29

(Loss)
* 53 weeks.
‡ Restated to include operations of companies acquired on a pooling of interests basis
‡‡ Based on the average number of common shares and common share equivalents outstanding.
# Including extraordinary credits of $432,000 ($0.07 per share) in 1979, $9,020,000 ($1.71 per share) in 1978, $102,000 ($0.02 per share) in 1977 and $2,092,000 ($0.43 per share) in 1976.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 130,503,000	$16.78
1979	66,325,000	10.86
1978	56,515,000	9.18
1977	24,287,000	5.10
1976	28,713,000	6.13

Income Account *
(000's)

Year ended	7/25/80	7/27/79 ‡
Net sales	$ 281,057	$ 164,028
Cost of sales	203,724	120,612
Expenses	48,419	23,431
Interest expense	3,200	1,402
Other expense	1,076	161
Other income	(7,771)	(8,159)
Income before taxes	$ 32,409	$ 26,581
Income taxes	13,881	11,730
Net Income	$ 18,528	$ 14,851
Extraordinary credit	—	432
Net Income & extraordinary credit	$ 18,528	$ 15,283

* Included in Costs and Expenses, Depreciation: $7,326,000 in 1980 and $3,576,000 in 1979.
‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets
(000's)

As of	7/25/80	7/27/79 ‡
Cash & investments	$ 27,607	$ 39,698
Accts. receiv., net	46,633	16,304
* Inventories	69,922	31,517
Other curr. assets	3,050	628
Current Assets	$ 147,212	$ 88,147
Investments & advest.	—	25,296
# Fixed assets	53,748	19,273
Other assets	1,092	144
Intangibles	32,933	—
Total Assets	$ 234,985	$ 132,860

Liabilities
(000's)

Long-term debt, curr.	$ 2,204	$ 700
Accts. payable	17,142	10,075
Advances	16,899	11,995
Accruals	29,319	18,190
Inc. taxes	4,982	5,327
Deferred inc. taxes	7,366	3,163
Curr. Liabilities	$ 77,912	$ 49,450
Long-term debt	26,570	17,085
+ Common stock	8,065	6,391
Add. paid-in capital	83,128	35,172
Retained earnings	43,064	27,511
Treasury stock	(3,754)	(2,749)
Total Liabilities & Shareholders' Equity	$ 234,985	$ 132,860

‡ Restated to include operations of companies acquired on a pooling of interests basis.
* At lower of cost (average) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.53	16.21
%Net Income to Sales	6.59	9.05
%Net Income to Equity	14.20	22.39
Sales to Inventories	4.02	5.20
Working Capital	$ 69,300,000	$ 38,697,000
Current Ratio	1.89	1.78
Shareholders' Equity	$ 130,503,000	$ 66,325,000

# Fixed assets	53,748	19,273
Other assets	1,092	144
Intangibles	32,933	—
Total Assets	$ 234,985	$ 132,860

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Sargent-Welch Scientific Company

7300 North Linder Avenue
Skokie, Illinois 60077
(312) 677-0600

Officers: Thomas M. Mints, Jr., chairman of the board & chief executive officer; Lawrence F. Nein, president & chief operating officer; G. Jerome Tabern, v.p.-mfg.; Edward F. Ewen, v.p.-engineering; Donald A. Tyler, v.p.;Thomas J. Breuer, v.p.-sales & marketing; Clark L. Schmitz, v.p.-operations; John M. Connolly, v.p.-finance & treasurer; D. Jeffrey Baddeley, vice president, secretary & general counsel; Gerald J. Sweas, controller.

Directors: Thomas M. Mints, Jr.*, Kenneth A. Bro*, Gary E. MacDougal*, Henry Regnery, T. Mackin Sexton, Robert R. Snediker, William B. Weiss, H. Edward Wrapp*, D. Jeffrey Baddeley, John M. Connolly, Lawrence F. Nein, Frederic V. Malek.

*Member of the Executive Committee.

Areas of Work: Produces or distributes different scientific items for the educational and industrial markets including high vacuum mechanical pumps, turbo pumps and other vacuum products, chemical analysis meters, interferometers, polarograph®, recording titrators, spectrophotometers, potentiometric recorders, and pH measuring equipment. Distributes glassware, analytical balances, water stills and chemicals. The company is also active in the printing industry, producing school yearbooks, diplomas and announcements for all levels of education.

Subsidiaries:

Inter-Collegiate Press, Inc.
6015 Travis Lane
Shawnee Mission, Kansas 66202
(913) 432-8100

Sargent-Welch Scientific Company

Sargent Welch Scientific of Canada Limited
285 Garyray Drive
Weston, Ontario, Canada
(416) 741-5210

Transfer Agent(s):

The First National Bank of Chicago
Chicago, Illinois

Stock Exchange(s): New York, Midwest

Ticker Symbol: SWS

Number of Employees:

1980	1,525	1977	1,500
1979	1,600	1976	1,500
1978	1,600		

Plant Footage:

1980	1,350,000 sq.ft.	1978	1,350,000
1979	1,350,000	1977	1,350,000

Sales and Earnings

	Net Sales	Net Income
1980	$ 99,525,000	$ 6,170,000
1979	88,904,000	5,282,000
1978	82,055,000	4,781,000
1977	73,987,000	5,303,000
1976	71,965,000	5,114,000

	No. of Com. Shares	Earn. per Share †
1980	2,329,179	$2.65
1979	2,325,229	2.26
1978	2,367,529	2.02
1977	2,363,179	2.16
1976	2,703,183	1.83

† Based on average number of shares outstanding.

Revenues By Line of Business

	1980	1979	1978	1977
Science education & industrial	83.6%	83.6%	82.5%	81.5%
Graphic arts	16.4	16.4	17.5	18.5
	100.0%	100.0%	100.0%	100.0%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.00	—	—
1979	0.88	—	—
1978	0.72	—	—
1977	0.60	—	—
1976	0.50	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 49,207,000	$21.13
1979	45,315,000	19.49
1978	42,717,000	18.04
1977	39,603,000	16.76
1976	41,460,000	15.34

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 99,525,000	$ 88,904,000
Other income	889,000	793,000
Total Income	$ 100,414,000	$ 89,697,000
Cost of sales	62,187,000	56,991,000
Expenses	26,190,000	22,813,000
Income before taxes	$ 12,037,000	$ 9,893,000
Income taxes	5,867,000	4,611,000
Net Income	$ 6,170,000	$ 5,282,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,091,000 in 1980 and $890,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 1,737,000	$ 804,000
Marketable securities	7,834,000	5,486,000
Accts. receiv., net	17,342,000	16,579,000
* Inventories	21,952,00	20,870,000
Other Assets	1,511,000	1,782,000
Current Assets	$ 50,376,000	$ 45,521,000
# Fixed assets	10,459,000	10,073,000
Total Assets	$ 60,835,000	$ 55,594,000

Liabilities

Accts. payable	$ 3,169,000	$ 2,664,000
Customer deposits	2,237,000	2,227,000
Accruals	3,826,000	3,572,000
Income taxes	1,640,000	1,115,000
Curr. Liabilities	$ 10,872,000	$ 9,578,000
Deferred inc. taxes	756,000	701,000
+ Common stock	3,535,000	3,535,000
Add. paid-in capital	4,929,000	4,920,000
Retained earnings	53,856,000	50,015,000
Treasury stock	(13,113,000)	(13,155,000)
Total Liabilities & Shareholders' Equity	$ 60,835,000	$ 55,594,000

* At lower of cost (LIFO for domestic inventories, FIFO for foreign) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.09	11.13
%Net Income to Sales	6.20	5.94
%Net Income to Equity	12.54	11.66
Sales to Inventories	4.53	4.26
Working Capital	$ 39,504,000	$ 35,943,000
Current Ratio	4.63	4.75
Shareholders' Equity	$ 49,207,000	$ 45,315,000

Savant Instruments, Inc.

221 Park Avenue
Hicksville, New York 11801
(516) 935-8774

Officers: Alex Meshbane, president; Lester Burgman, vice president; Amelia Meshbane, secretary-treasurer; Frank Vilardi, engineering mgr.; Lester Burgman, purchasing agent & production manager.

Directors: Alex Meshbane, chairman; Amelia Meshbane, Lester Burgman.

Areas of Work: Engaged in manufacture of high voltage electrophoresis power supplies; fraction collectors; safety enclosures; recirculating water coolers; quartz and glass optical cells, vacuum centrifuge for solvent phase elimination.

Transfer Agent(s):

Registrar and Transfer Company
34 Exchange Place
Jersey City, New Jersey 07302

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	18	1977	14
1979	15	1976	13
1978	16		

Plant Footage:

1980	8,200 sq. ft.	1977	8,200
1979	8,200	1976	8,200
1978	8,200		

Sales and Earnings

	Net Sales	Net Income
1980	$ 1,618,933	$ 81,647
1979	1,039,552	26,513
1978	899,641	21,157
1977	n.a.	n.a.
1976	854,128	71,207

	No. of Com. Shares	Earn. per Share
1980	228,984	$0.36
1979	230,894	0.11
1978	234,664	0.09
1977	n.a.	n.a.
1976	250,236	0.28

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 623,883	$2.72
1979	571,056	2.47
1978	574,582	2.45
1977	n.a.	n.a.
1976	561,718	2.24

Income Account

Year ended Dec. 31	1980	1979
Net sales	$ 1,618,933	$ 1,039,552
Other income	5,629	8,546
Total income	$ 1,624,562	$ 1,048,098
Cost of sales	795,867	482,301
Expenses	685,592	524,114
Depreciation & amortization	23,998	8,269
Income before taxes	$ 119,105	$ 33,414
Income taxes	37,458	6,901
Net Income	$ 81,647	$ 26,513

Assets

As of Dec. 31	1980	1979
Cash	$ 68,364	$ 57,657
Marketable securities	89,342	122,303
Accts. receiv., net	173,024	102,344
* Inventories	345,361	276,444
Prepaid expenses	8,242	10,283
Current Assets	$ 684,333	$ 569,031
# Fixed assets	35,364	19,025
Security deposits	4,582	4,782
Intangibles	11,300	11,300
Other assets	1,618	1,778
Total Assets	$ 737,197	$ 605,916

Liabilities

Accts. payable	$ 38,136	$ 18,142
Accruals	75,179	16,719
Curr. Liabilities	$ 113,315	$ 34,861
+ Common stock	22,898	23,089
Add. paid-in capital	312,870	318,409
Retained earnings	288,114	229,557
Total Liabilities & Shareholders' Equity	$ 737,197	$ 605,916

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.36	3.21
%Net Income to Sales	5.04	2.55
%Net Income to Equity	13.09	4.64
Sales to Inventories	4.69	3.76
Working Capital	$ 571,018	$ 534,170
Current Ratio	6.04	16.32
Shareholders' Equity	$ 623,883	$ 571,056

Saxton Products, Inc.

215 North Route 303
Congers, New York 10920
(914) 268-6846

Officers: Edward Abbo, chairman of the board & chief executive officer; William Malia, president & chief operating officer; Arthur Abbo, v.p. & secretary; Allan Byer, v.p.-finance.

Directors: Edward Abbo, chairman; David J. Berge, James Hutton III, Arthur Abbo, Dirck Post, William Malia.

Areas of Work: Designs, manufactures and sells television, high fidelity and telephone wire, cable and related components, and telephone accessories.

Transfer Agent(s):

Continental Stock Transfer & Trust Corp.
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SXNP (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1980	$ 8,117,318	$ (1,596,266)
1979	7,510,959	(389,650)
1978	8,435,776	27,776
1977	9,702,348	108,704
1976	11,205,275	336,771

	No. of Com. Shares	Earn. per Share ‡
1980	433,249	$ —
1979	432,549	—
1978	426,349	0.07
1977	426,349	0.25
1976	426,349	0.79

(Loss)
‡ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,671,348	$6.17
1979	4,222,721	9.76
1978	4,621,112	10.84
1977	4,604,403	10.80
1976	4,517,806	10.60

Income Account *

Year ended May 31	1980	1979
Net sales	$ 8,117,318	$ 7,510,959
Cost of sales	7,365,215	5,880,798
Expenses	2,324,605	2,286,211
Other income	(56,920)	(38,189)
Interest expense	80,684	63,689
Loss before taxes	$ (1,596,266)	$ (681,550)
Tax credit	—	(291,900)
Net Loss	$ (1,596,266)	$ (389,650)

* Included in Costs and Expenses, Depreciation and Amortization: $139,643 in 1980 and $134,935 in 1979.

Assets

As of May 31	1980	1979
Cash	$ 46,715	$ 72,821
Marketable securities	—	25,509
Accts. receiv., net	1,296,404	1,045,487
*Inventories	2,450,560	3,222,947
Income taxes	47,024	193,960
Prepaid & other assets	170,233	86,787
Current Assets	$ 4,010,936	$ 4,647,511
# Fixed assets	694,676	801,902
Other assets	66,426	141,026
Investments	16,625	90,250
Total Assets	$ 4,788,663	$ 5,680,689

Liabilities

Notes payable	$ —	$ 50,000
Long-term debt	261,250	234,856
Accts. payable	1,310,027	681,190
Due to officers	90,684	7,895
Accruals	345,354	224,254
Curr. Liabilities	$ 2,007,315	$ 1,198,195
Long-term debt	110,000	259,773
+ Common stock	433,249	432,549
Add. paid-in capital	1,400,129	1,399,079
Retained earnings	852,867	2,449,133
Net unrealized loss	(14,897)	(58,040)
Total Liabilities	$ 4,788,663	$ 5,680,689

* At lower of cost (FIFO and LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

Sales to Inventories	3.31	2.33
Working Capital	$ 2,003,621	$ 3,449,316
Current Ratio	2.00	3.88
Shareholders' Equity	$ 2,671,348	$ 4,222,721

SBD Electronic Systems, Inc.

275 Dixon Aveue
Amityville, New York 11701
(516) 842-2000

Officers: Miftar Beio, president; Albert Schneider, chief exec. officer; Sheldon M. Weiss, v.p. & treasurer; Albert de la Lastra, v.p. & secretary.

Directors: Albert Schneider, chairman, Miftar Beio, Albert de la Lastra, Sheldon M. Weiss.

Areas of Work: Manufactures custom solid state power supplies.

Transfer Agent(s):

Continental Stock Transfer & Trust Co.
30 Montgomery Street
Jersey City, New Jersey 07302

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	48	1978	48
1979	48	1977	48

Plant Footage:

1980	10,000 sq. ft.	1978	10,000
1979	10,000	1977	10,000

Sales and Earnings

	Net Sales	Net Income †
1980	$ 2,411,079	$ 271,183
1979	2,059,127	186,803
1978	1,821,878	260,968
1977	1,534,270	385,085
1976	1,990,282	89,675

	No. of Com. Shares ‡	Earn. per Share † #
1980	793,029	$0.34
1979	793,029	0.24
1978	729,417	0.36
1977	672,417	0.57
1976	672,417	0.13

† Including extraordinary gains of $124,733 ($0.17 per share) in 1978, $293,668 ($0.44 per share) in 1977 and $32,930 ($0.05 per share) in 1976.
‡ Adjusted to reflect stock dividends.
# Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	50%	—
1979	—	—	—
1978	—	100%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 1,163,798	$1.47
1979	892,614	1.13
1978	674,005	0.92
1977	408,287	0.61
1976	23,202	0.03

‡ Adjusted to reflect stock dividends.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 2,411,079	$ 2,059,127
Cost of sales	1,253,989	1,132,996
Expenses	717,690	636,487
Other income	(37,783)	(30,859)
Income before taxes	$ 477,183	$ 320,503
Income taxes	206,000	133,700
Net Income	$ 271,183	$ 186,803

* Included in Costs and Expenses, Depreciation and Amortization: $17,956 in 1980 and $12,870 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 368,249	$ 496,515
Accts. receiv., net	274,702	156,496
* Inventories	654,387	728,628
Prepaid expenses & other curr. assets	31,090	53,275
Current Assets	$ 1,328,428	$ 1,434,914
# Fixed assets	240,153	229,550
Other assets	26,271	11,866
Total Assets	$ 1,594,852	$ 1,676,330

Liabilities

Long-term debt, curr.	$ 53,277	$ 44,333
Accts. payable and accruals	81,476	106,757
Progress payments	179,145	347,574
Income taxes payable	81,187	129,677
Mortgage payable	—	83,272
Current Liabilities	$ 395,085	$ 711,613
Long-term debt	35,969	72,103
+ Common stock	79,303	52,868
Add. paid-in capital	446,703	446,703
Retained earnings	637,792	393,043
Total Liabilities & Shareholders' Equity	$ 1,594,852	$ 1,676,330

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income before Taxes to Sales	19.79	15.56
%Net Income to Sales	11.25	9.07
%Net Income to Equity	23.30	20.93
Sales to Inventories	3.68	2.83
Working Capital	$ 933,343	$ 723,301
Current Ratio	3.36	2.02
Shareholders' Equity	$ 1,163,798	$ 892,614

Scan-Data Corporation

800 East Main Street
Norristown, Pennsylvania 19401
(215) 277-0500

Officers: Robert R. Burns, chairman of the board & chief exec. officer; William C. Klink, president & chief operating officer; John W. Kirst, sr. v.p.-finance & treasurer; Willis J. Luther, sr. v.p.-sales & marketing; Joseph Yacyk, v.p.-operations; Colin J.C. Jarman, sr. v.p.-European operations; William Q. Spangler, vice president & secretary; Ronald L. Baracka, v.p.-product development; Gary L. Blakely, controller & principal accounting officer; Gordon Dion, mgr., N.Y. (Marketing); Harry A. Dorn, mgr., OEM Product Sales; Louis J. Frontino-project mgr. (Engineering); Robert L. Johnston, project mgr. (Engineering); John J. McIntyre, engineering mgr.; Roy C. Oakford, v.p.-Federal Gov't Sales (Marketing); Hugh J. O'Neill, mgr.-marketing; Steven Pomerantz, mgr.-L.A. (Marketing); Charles A. Reckner, material mgr.; Vincent G. Yost, Nat'l Sales Mgr., (POSITRAN).

Directors: Robert R. Burns, chairman; William C. Klink, Daniel S. Greenstein, Robert L. Maddox, William Q. Spangler.

Areas of Work: Develops, manufactures, markets and services optical character recognition pace and document reading systems and other data input and processing systems.

Subsidiaries:

Scan-Data Corp.
One Penn Plaza
250 West 34th Street
New York, New York 10001
(212) 239-4466

Scan-Data International, Limited
Bitco Building
Nassau, Bahamas
(809) 322-8622

OCR Scan-Data, Limited
United Kingdom

Scan-Data GmbH
West Germany

Acquisition(s):

Document Systems, Inc. (3-16-81)

Transfer Agent(s):

Continental Stock Transfer Corp.
19 Rector Street
New York, New York 10006

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SCAN (NASDAQ)

Number of Employees:

1981	169	1978	205
1980	211	1977	300
1979	220		

Plant Footage:

1981	47,200 sq. ft.	1978	49,000
1980	47,200	1977	49,000
1979	49,000		

Sales and Earnings

	Revenues	Net Income ‡
1980	$ 12,694,077	$ (4,870,943)
1979	16,632,765	(359,367)
1978	14,927,396	1,033,714
1977	14,849,073	(976,431)
1976	12,724,452	(1,364,465)

	No. of Com. Shares	Earn. per Share † ‡
1980	2,266,096	$ —
1979	2,233,634	—
1978	2,233,634	0.39
1977	1,821,451	—
1976	1,721,451	—

(Loss)
‡ Including extraordinary gains of $592,000 ($0.26 per share) in 1978 and $168,000 ($0.10 per share) in 1977.
† Based on the weighted average number of common shares, Class B common shares, and prior to 1979, common stock equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ (69,158)	$ —
1979	2,222,707	1.00
1978	2,612,074	1.17
1977	371,323	0.20
1976	1,116,504	0.65

(Deficiency)

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 7,605,456	$ 12,368,320
Other income	5,088,621	4,264,445
Total income	$ 12,694,077	$ 16,632,765
Cost of sales	10,109,329	9,740,564
Research & devel.	767,017	821,646
Expenses	4,754,973	5,040,954
Depreciation	1,163,081	498,450
Interest expense	735,408	867,088
Loss before taxes	$ (4,835,731)	$ (335,937)
Income taxes	35,212	23,430
Net Loss	$ (4,870,943)	$ (359,367)

* Included in Costs and Expenses, Depreciation and Amortization: $1,169,602 in 1980 and $874,861 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 972,475	$ 1,141,094
Short-term invest.	250,000	—
Accts. receiv., net	2,277,189	4,729,516
Long-term equip. leases, curr.	408,414	318,403
* Inventories	3,642,759	4,281,843
Prepaid expenses	72,648	57,811
Current Assets	$ 7,623,485	$ 10,528,667
Long-term receiv.	409,337	646,730
Notes receiv.	—	187,800
# Revenue earn. equip.	279,119	460,232
# Fixed assets	1,211,452	1,848,901
Other assets	116,758	113,632
Total Assets	$ 9,640,151	$ 13,785,962

Liabilities

	1980	1979
Short-term debt	$ 190,394	$ 4,349,213
Long-term debt, curr.	458,711	604,705
Accts. payable	1,996,315	2,294,548
Accruals	1,116,988	721,877
Accrued payroll	258,499	100,280
Deferred income	74,053	550,000
Curr. Liabilities	$ 4,094,960	$ 8,620,623
Long-term debt	5,391,279	2,824,795
Deferred inc. taxes	223,070	117,837
+ Preferred stock	690,000	500,000
+ + Common stock	1,068,064	1,051,833
+ + + Class B common	1,300	1,300
Add. paid-in capital	11,241,875	8,839,028
Accumulated deficit	(13,070,397)	(8,169,454)
Total Liabilities & Shareholders' Equity	$ 9,640,151	$ 13,785,962

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $100 par value.
+ + $0.50 per share.
+ + + No par value.

Statistical Summary

	1980	1979
Sales to Inventories	2.09	2.89
Working Capital	$ 3,528,525	$ 1,908,044
Current Ratio	1.86	1.22
Shareholders' Equity (Deficiency)	$ (69,168)	$ 2,222,707

Scan-Optics, Inc.

22 Prestige Park
East Hartford, Connecticut 06108
(203) 289-6001

Officers: Jean M. Belhumeur, Jr., chairman of the board & president; Clarence W. Rife, vice president-customer service; Ronald E. Gocht, v.p.-engineering; William H. Cuddy, asst. secretary; John I. Anderson, v.p.-finance and administration, secretary-treasurer; Richard J. Hamlin, v.p. & gen. mgr.-Software Services; Robert G. Wadsworth, managing director-S.O. Systems Ltd.; Alan W. Ware, v.p. & gen. mgr.-Domestic End User Products.

Directors: Jean M. Belhumeur, Jr., Etalo G. Gnutti, John Spanos, Robert H. Steele, Richard J. Coburn.

Areas of Work: Engaged in the development, manufacture and marketing of data entry systems for the United States and international markets. The Company either sells equipment directly to customers or leases equipment through its wholly owned subsidiary, World Wide Systems Corporation. The Company also furnishes maintenance and engineering support service to its customers as well as software and systems analysis services.

Subsidiaries:

World-Wide Systems Corporation
22 Prestige Park
East Hartford, Connecticut 06108

S.O. Systems Limited
36 Sunbury Cross Centre
Sunbury, Middlesex, England

Transfer Agent(s):

The Connecticut Bank & Trust Co.
1 Constitution Plaza
Hartford, Connecticut 06103

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	300	1978	256
1979	300	1977	200

Plant Footage:

1980	39,200 sq.ft.	1978	39,200
1979	39,200		

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ $2,768,106	$0.78

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 8,350,852	$ 1,191,787
1979	9,087,283	639,572
1978	4,737,960	(637,967)
1977	4,912,528	101,028
1976	2,669,650	266,944

. . . .	No. of Com. Shares +	Earn. per Share ‡ +
1980	3,570,192	$0.33
1979	3,074,605	0.21
1978	2,353,440	—
1977	2,386,267	0.04
1976	2,370,412	0.11

(Loss)
‡ Including extraordinary gains of $532,800 ($0.15 per share) in 1980, $427,000 ($0.14 per share) in 1979, $40,250($0.02 per share) in 1977 and $123,000 ($0.05 per share) in 1976.
+ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account

Year ended Dec. 31	1980	1979
Net sales	$ 8,350,852	$ 9,087,283
Lease & service rev.	5,690,211	3,802,141
Total income	$ 14,041,063	$ 12,889,424
Cost of sales	5,214,462	5,625,924
Expenses	6,547,732	5,856,338
Depreciation	634,932	438,512
Other income	(190,305)	(84,278)
Interest expense	915,639	752,178
Gain on sale of leased equip.	(214,784)	(257,164)
Other income	(138,400)	(81,658)
Income before taxes	$ 1,271,787	$ 639,572
Income taxes	612,800	427,200
Net Income	$ 658,987	$ 212,372
Extraord. gain	532,800	427,200
Net Income & extraord. gain	$ 1,191,787	$ 639,572

Assets

As of Dec. 31	1980	1979
Cash	$ 725,089	$ 470,510
Certificate of deposit	300,000	—
Accts. receiv., net	2,238,611	1,210,202
* Inventories	4,763,656	3,666,673
Prepaid expenses	43,802	14,691
Current Assets	$ 8,071,158	$ 5,362,076
Equip. leased to customers	2,452,564	2,261,313
# Fixed assets	783,316	641,712
Deferred financing costs	119,642	56,901
Invest. in sales-type leases	692,455	357,061
Total Assets	$ 12,119,135	$ 8,679,063

Liabilities

Notes payable	$ 3,286,935	$ 2,028,644
Long-term debt, curr.	1,358,637	853,635
Accts. payable	1,255,280	1,114,944
Accruals	566,875	284,065
Accrued taxes on income	80,000	—
Accrued payroll	645,685	528,759
Misc. taxes	150,231	37,947
Cust. deposits	189,183	237,939
Other liab.	10,000	155,963
Curr. Liabilities	$ 7,542,776	$ 5,241,896
Long-term debt	1,090,962	994,878
Deferred lease revenues	359,378	279,341
Other def. rev.	357,913	614,079
+ Redeem. pref. stock	—	4,489,000
+ + Common stock	41,726	32,324
+ + Class A stock	29,191	15,441
Add. paid-in capital	16,503,731	12,005,933
Retained earnings (deficit)	(13,806,542)	(14,998,329)
Total Liabilities & Shareholders' Equity	$ 12,119,135	$ 8,679,063

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $100 par value.
+ + $0.02 par value.

Statistical Summary

%Income bef. Taxes to Sales	15.23	7.04
%Net Income to Sales	7.89	2.34
%Net Income to Equity	23.81	—
Sales to Inventories	1.75	2.48
Working Capital	$ 528,382	$ 120,180
Current Ratio	1.07	1.02
Shareholders' Equity (Deficiency)	$ 2,768,106	$ (2,944,131)

Schaak Electronics, Inc.

1415 Mendota Heights Road
St. Paul, Minnesota 55120
(612) 454-6830

Officers: R.L. Schaak, chairman of the board & chief executive officer; Paul R. Gunther, president; Lawrence J.W. Castriotta, exec. v.p.; John H. Sarles, Jr., v.p.-finance; Towru Nagano, v.p.-corporate development; David C. Larson, v.p. & controller; Gregory A. Harris, v.p.-retail operations; John A. Zraick, v.p.-specialty operatios; Patrick H. O'Neill, secretary; Bruce E. Yoder, asst. secretary & asst. controller; Oleh Artym, v.p.-marketing.

Directors: R.L. Schaak, chairman; Paul R. Ginther, Galen M. Cadle, Patrick H. O'Neill, Thomas Schreier, Michael Scott.

Areas of Work: Primarily a retailer of high fidelity sound equipment, serving its customers through forty-one company owned retail sales centers and two licenses. In addition, the company wholesales high fidelity equipment to smaller dealers and manufactures a line of high fidelity speakers.

Transfer Agent(s):

American National Bank and Trust Company
St. Paul, Minnesota

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SHAA (NASDAQ)

Number of Employees:

1980	417	1978	364
1979	417		

Sales and Earnings

	Net Sales	Net Income †
1980	$ 45,556,474	$ 1,457,035
1979	40,942,602	1,815,823
1978	31,198,819	1,331,165
1977	19,510,532	1,246,273
1976	14,920,628	836,998

	No. of Com. Shares #	Earn. per Share †#
1980	1,302,738	$1.12
1979	1,274,014	1.43
1978	1,308,195	1.01
1977	1,291,602	0.97
1976	1,264,956	0.66

(Loss)
† Including extraordinary gains of $565,000 ($0.44 per share) in 1977 and $526,725 ($0.42 per share) in 1976.
# Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	50%	—
1978	—	100%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 6,898,982	$5.30
1979	5,433,724	4.27
1978	3,608,296	2.76
1977	2,259,083	1.75
1976	1,007,388	0.80

‡ Based on the weighted average number of common shares and common share equivalents otstanding adjusted to reflect stock dividends.

Income Account *

Year ended May 31	1980	1979
Net sales	$ 45,556,474	$ 40,942,602
Cost of sales	29,945,927	26,623,752
Expenses	12,358,091	10,624,809
Interest expense	493,421	276,218
Income before taxes	$ 2,759,035	$ 3,417,823
Income taxes	1,302,000	1,602,000
Net Income	$ 1,457,035	$ 1,815,823

* Included in Costs and Expenses, and Depreciation: $477,104 in 1980 and $366,841 in 1979.

Assets

As of May 31	1980	1979
Cash	$ 747,165	$ 934,034
Accts. receiv., net	1,157,319	743,041
* Inventories	11,248,440	8,792,446
Prepaid expenses & other assets	273,834	126,030
Current Assets	$ 13,426,758	$ 10,595,551
# Fixed assets	3,400,589	2,651,750
Total Assets	$ 16,827,347	$ 13,247,301

Liabilities

Notes payable	$ 2,000,000	$ —
Long-term debt, curr.	27,020	24,520
Accts. payable	4,627,596	3,237,537
Accrued payroll	184,792	320,848
Income taxes	47,670	630,711
Other liabilities	533,269	630,923
Curr. Liabilities	$ 7,420,347	$ 4,844,539
Long-term debt	2,306,018	2,833,038
Deferred inc. taxes	202,000	136,000
+ Common stock	131,454	129,196
Add. paid-in capital	1,510,746	1,504,781
Retained earnings	5,256,782	3,799,747
Total Liabilities & Shareholders' Equity	$ 16,827,347	$ 13,247,301

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.06	8.35
%Net Income to Sales	3.20	4.44
%Net Income to Equity	21.12	33.42
Sales to Inventories	4.05	4.66
Working Capital	$ 6,006,411	$ 5,751,012
Current Ratio	1.81	2.19
Shareholders' Equity	$ 6,898,982	$ 5,433,724

Schaevitz Engineering

U.S. Route 130 and Union Avenue
Pennsauken, New Jersey 08110
(609) 662-8000

Officers: Howard A. Schaevitz, chairman of the board & treasurer; LeRoy A. Bondy, president; Ernest D.D. Schmidt, v.p.-operations; Wilfrid J. Fry, v.p.-international operations; Ralph J. Weed, v.p.-finance; Ruth J. Norwitz, v.p.; Stella A. Schaevitz, secretary.

Directors: Howard A. Schaevitz, chairman; LeRoy A. Bondy, John J. Hegar, Stella A. Schaevitz, Ruth J. Norwitz, Raimon L. Conlisk.

Areas of Work: Designs and manufactures electromechanical measurement and control instruments, including inclinometers and accelerometers for industrial applications.

Transfer Agent(s):

Heritage Bank, N.A.
Cherry Hill, New Jersey

Schaevitz Engineering

Stock Exchange(s): Over-the-Counter

Plant Footage:

1980	50,000 sq. ft.	1977	50,000
1979	50,000	1976	50,000
1978	50,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980*	$ 11,039,075	$ 458,604
1979	7,966,292	599,579
1978	6,969,331	401,823
1977	6,039,070	594,870
1976	4,375,024	141,753

	No. of Com. Shares	Earn. per Share # ‡
1980	1,052,719	$0.44
1979	1,052,719	0.57
1978	1,052,719	0.38
1977	1,050,719	0.57
1976	1,050,719	0.14

* 53 weeks.

‡ Including extraordinary gain of $379,972 ($0.36 per share) in 1977.

# Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 4,870,066	$4.63
1979	4,411,462	4.19
1978	3,811,883	3.62
1977	3,407,560	3.24
1976	2,812,690	2.68

Income Account *

Year ended Dec. 31	1980 $ (53 weeks)	1979 $
Net sales	11,039,075	7,966,292
Other income	354,455	64,916
Total income	$ 11,393,530	$ 8,031,208
Cost of sales	6,756,137	4,736,997
Expenses	3,433,791	2,633,324
Other charges	309,045	50,117
Foreign operations	(34,173)	(82,213)
Leveraged lease exp.	173,940	4,296
Income before taxes	$ 754,790	$ 688,687
Income taxes	296,186	89,108
Net Income	$ 458,604	$ 599,579

* Included in Costs and Expenses, Depreciation ano Amortizatin: $395,216 in 1980 and $223,251 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 722,433	$ 156,580
Investments	9,838	1,309,838
Accts. receiv., net	2,126,077	1,659,926
* Inventories	3,064,819	2,765,241
Other assets	197,076	126,613
Current Assets	$ 6,120,243	$ 6,018,198
Investments	1,058,980	1,498,710
# Fixed assets	3,349,629	3,271,418
Other assets	96,935	107,990
Total Assets	$ 10,625,787	$ 10,896,316

Liabilities

Note payable	$ —	$ 1,250,000
Long-term debt, curr.	144,984	3,922
Accts. payable	946,867	922,180
Accruals	687,715	500,362
Income taxes	345,985	38,709
Curr. Liabilities	$ 2,125,551	$ 2,715,173
Long-term debt	3,367,988	3,512,972
Deferred taxes	208,071	256,709
Deferred comp.	54,311	—
+ Common stock	105,693	105,693
Add. paid-in capital	1,083,215	1,083,215
Retained earnings	3,684,706	3,226,102
Treasury stock	(3,548)	(3,548)
Total Liabilities & Shareholders' Equity	$ 10,625,787	$ 10,896,316

* At lower of cost (average) or market.

# Less accumulated depreciation and amortization.

+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.84	8.65
%Net Income to Sales	4.15	7.53
%Net Income to Equity	9.42	13.59
Sales to Inventories	3.60	2.88
Working Capital	$ 3,994,692	$ 3,303,025
Current Ratio	2.88	2.22
Shareholders' Equity	$ 4,870,066	$ 4,411,462

Schlumberger Limited

277 Park Avenue
New York, New York 10172
(212) 350-9400

Officers: Jean Riboud, chairman of the board & president; Arthur Lindenauer, exec. v.p. -finance; Roland Genin, Michel Vaillaud, exec. v.p.'s -operations; Bernard Alpaerts, Thomas C. Roberts, D. Euan Baird, exec. v.p.'s; Jean Babaud, Michel Gouilloud, Roy R. Shourd, Wiliam T. Long, Thomas A. Longo, v.p.'s; Arthur Alexander, v.p. & director of personnel; William W. Dunn, controller; David S. Browning, secretary & general counsel; Michel Soublin, treasurer; Horace R. Cardoni, Andre Laloux, asst. secretaries.

Directors: Jean Riboud*, chairman; Jacques de Fouchier*, Roland Genin*, Charles Goodwin, Jr., George H. Jewell, Paul A. Lepercq*, George de Menil, Francoise Schlumberger Primat, Benno C. Schmidt*, Jerome B. Wiesner*, Ellmore C. Patterson, Pierre Marcel Schlumberger.

*Member of Executive Committee.

Areas of Work: Manufactures measurement and control instruments and systems for consumer, industrial and commercial applications. Also offers different technical operations to the oil industry, worldwide.

Divisions and Subsidiaries:

Measurement and Control-North America.

Sangamo

Watthour meters, equipment for electric power systems, electronic components, electrical load and rate control systems.

Weston

Panel and portable meters, aircraft instruments, potentiometers, x-ray gauges, nuclear instruments, vehicle performance recorders.

EMR

Telemetry data systems and instruments, photomultiplier tubes, data communication products, data recorders.

Heath

Electronic equipment in kit form for home entertainment, electronic testing, amateur radio; home computers, educational and laboratory instruments.

Rixon

Modems and associated products for data communications.

Measurement and Control-Europe

Enertec Division

Electricity meters, equipment for electrical powersystems, electronic measuringand test instruments, data systems, transducers, professional audio equipment.

Sereg Division

Regulating equipment, gauges and valves, industrial control systems.

Flonic Division

Water and gas meters and industrial meters for other fluids, heating controls; castings, plastic parts, timing mechanisms.

Service Division

Products and services related to water and energy distribution.

International Division

Electricity, water and gas meters and systems manuafactured in several countries of Europe and in Argentina, Brazil and Chile.

Solartron/Sangamo Weston (U.K.) Division

Electricity meters, electrical and electronic measuring instruments.

Oilfield Service

Wireline Services

Wireline service companies provide measurements of physical properties of underground formations which help locate and define oil and gas reservoirs and asst in completion, development and production phases of oil wells.

Vector

Cables for well logging, oceanography and geophysical exploration.

Drilling Services & Production Services

Forex Neptune

Offshore and land drilling.

Flopetrol

Services and tools for oil well completion, production, and secondary recovery.

Johnston-Macco

Services and tools for oil completion, testing and workover.

The Analysts

Mud logging, computer-assisted analysis of drilling, downhole measurement while drilling services.

Dowell-Schlumberger (50% owned)

Cementing, acidizing, fracturing, formation testing and directional drilling services.

Acquisition(s):

Fairchild Camera and Instrument Corporation
464 Ellis Street
Mountain View, California 94042

Manufactures and markets semiconductor devices; electronic test systems, instruments, and microprocessors: Audiovisual and aviation products. The company is also engaged in the development and production of space and defence systems and products for NASA, the military services and other government customers.

Transfer Agent(s):

Citibank N.A.
New York, New York
Bank of the Southwest
Houston, Texas

Stock Exchange(s): New York, Paris, London, Amsterdam, Geneva

Ticker Symbol: SLB

Number of Employees:

1980	83,532	1977	45,000
1979	81,532	1976	45,000
1978	52,000		

Sales and Earnings

	Net Sales +	Net Income
1980	$ 5,137,115,000	$ 994,347,000
1979	3,641,438,000	658,396,000
1978	2,683,942,000	501,973,000
1977	2,205,710,000	401,492,000
1976	1,839,938,000	293,162,000

	No. of Com. Shares †	Earn. per Share †
1980	190,764,000	$5.21
1979	190,676,000	3.45
1978	191,223,000	2.63
1977	192,990,000	2.08
1976	193,319,000	1.52

+ Includes services and other income.

† Based on the average number of common shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

	1980	1979
Oilfield services	$ 2,814,000	$ 2,037,000
Measurement & control	2,070,000	1,513,000
Interest and other income	153,000	91,000
Gain on sale of Rowan sales	100,000	—
Total	$ 5,137,000	$ 3,641,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.94	—	3-for-2
1979	0.73	—	3-for-2
1978	0.56	—	—
1977	0.42	—	—
1976	0.27	—	3-for-2

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 3,218,401,000	$16.87
1979	2,400,327,000	12.59
1978	1,899,995,000	9.94
1977	1,549,885,000	8.03
1976	1,279,600,000	6.62

‡ Based on the average number of common shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1980	1979
Net sales & services	$ 4,883,944	$ 3,549,647
Other income	153,333	91,791
Gain on sale of Rowan shares	99,838	—
Total income	$ 5,137,115	$ 3,641,438
Cost of sales & services	2,813,089	2,061,392
Expenses	705,568	514,507
Interest expense	101,752	52,175
Income before taxes	$ 1,516,706	$ 1,013,364
Income taxes	522,359	354,968
Net Income	$ 994,347	$ 658,396

* Included in Costs and Expenses, Depreciation: $335,313 in 1980 and $250,197 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 18,445	$ 16,694
Investments	1,217,448	1,006,959
Receiv., net	1,050,792	875,891
* Inventories	589,882	488,357
Other assets	55,147	44,920
Current Assets	$ 2,931,714	$ 2,432,821
Investments & receiv.	214,804	244,134
# Fixed assets	1,758,592	1,334,920
Exec. of invest. over net assets of subsid. purch.	296,270	305,915
Other assets	40,622	32,651
Total Assets	$ 5,242,002	$ 4,350,441

Liabilities
(000's)

	1980	1979
Long-term debt, curr.	$ 68,092	$ 66,681
Accts. payable & accruals	730,666	650,464
Bank loans	193,488	123,183
Dividends payable	47,772	34,978
Income taxes	642,940	491,528
Curr. Liabilities	$ 1,682,958	$ 1,366,834
Long-term debt	237,701	489,629
Other liabilities & reserves	86,851	81,158
Minority interest	16,091	12,493
+ Common stock	281,470	268,172
Retained earnings	3,110,664	2,295,680
Treasury stock	(173,733)	(163,525)
Total Liabilities & Shareholders' Equity	$ 5,242,002	$ 4,350,441

* At lower of average or standard or market.

# Less accumulated depreciation.

+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	31.05	28.55
%Net Income to Sales	20.35	18.55
%Net Income to Equity	30.89	27.43
Working Capital	$1,248,756,000	$1,065,987,000
Current Ratio	1.74	1.77
Shareholders' Equity	$3,218,401,000	$2,400,327,000

SCI Systems, Inc.

P.O. Box 4000
Huntsville, Alabama 35802
(205) 881-1611

Officers: Olin B. King, president; A. Eugene Sapp, Jr., executive v.p.; Arthur E. Douyard, Louis Rachmeler, Stephen F. Thornton, v.p.'s; Charles H. Gunselman, Peter A. Highberg, William J. Kreidler, Leonard L. Mitchum, Jr., Thomas H. Southerland, Jerry F. Thomas, Charles O. Rigby, asst. v.p.'s; William J. Hebding, treasurer; Harvey D. Harkness, secretary.

Directors: Olin B. King*, chairman; Elliott Goldstein*, Thomas H. Lenagh*, Howard H. Callaway, W.L. Halsey, Jr., Charles M. Reynolds, Jr., Judith T. Connor.

*Member of the Executive Committee.

Areas of Work: Company engaged in research, development and manufacture of data management systems, flight test systems, data bus products, computer memories, communications products, aircraft controls and displays, missile electronics, and mission support integration for the government and aerospace industry; supervisory control systems for automation of oil, gas and water distribution, petrochemical process control, building utility control, traffic control functions, gas liquefication plants, coal to gas conversion plants and uranium enrichment plants; banking automation systems including a family of interactive terminals combined with distributed processors and application software; image processing using a computer to automaticaly process and analyze visual images in real time; currency handling products; telemetry transmitters and receivers used in cardiac monitoring systems; computer products; a family of advanced printers; injection molded plastics, expanded polystyrene plastics and thermosetting plastics; aluminum castings; and machined components.

Transfer Agent(s):

The Citizens & Southern National Bank
Atlanta, Georgia

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SCIS (NASDAQ)

Number of Employees:

1980	1,619	1977	880
1979	1,352	1976	1,113
1978	1,192		

Plant Footage:

1980	448,000 sq. ft.	1977	263,000
1979	263,000	1976	263,000
1978	263,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 46,737,047	$ 2,119,531
1979	36,771,800	1,412,157
1978	26,246,656	932,578
1977	28,633,018	713,858
1976	27,273,024	416,702

	No. of Com. Shares +	Earn. per Share †
1980	1,761,157	$1.20
1979	1,797,657	0.82
1978	1,463,513	0.64
1977	1,330,798	0.59
1976	1,112,227	0.36

+ Adjusted to reflect stock dividends.

† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1980 (000's)	%	1979 (000's)	%
Government programs	$22,500	48%	$19,371	53%
Automation systems	17,500	38	11,469	31
Commercial products	6,700	14	5,932	16
Total	$46,700	100%	$36,772	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	—
1978	—	40%	—
1977	—	25%	—

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 18,107,467	$10.28
1979	16,323,500	9.08
1978	6,900,787	4.72
1977	5,348,480	4.02
1976	3,274,616 +	2.94

+ Afer allowing for preferred stock at redemption value of $100 per share.

† Adjusted to reflect stock dividends.

SCI Systems, Inc.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 46,737,047	$ 36,771,800
Other income	756,876	415,320
Total income	$ 47,493,923	$ 37,187,120
Cost of sales & exp.	42,963,475	34,385,566
Interest expense	630,809	354,738
Other charges	95,308	94,359
Income before taxes	$ 3,804,331	$ 2,352,457
Income taxes	1,684,800	940,300
Net Income	$ 2,119,531	$ 1,412,157

* Included in Costs and Expenses, Depreciation and Amortization: $1,447,888 in 1980 and $1,131,623 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 3,293,313	$ 4,762,780
Accts. receiv., net	8,138,786	6,119,300
Unreimbursed costs	324,243	325,788
* Inventories	13,968,807	7,999,813
Other current assets	198,980	166,707
Current Assets	$ 25,924,129	$ 19,374,388
# Fixed assets	8,81[illegible],255	7,003,658
Unexpanded bond funds	1,211,[illegible]83	—
Other assets	247,684	54,621
Total Assets	$ 36,193,551	$ 26,432,667

Liabilities

	1980	1979
Long-term debt, curr.	$ 348,333	$ 241,666
Accts. payable	4,340,553	2,576,854
Accruals	3,042,365	2,131,038
Income taxes	1,747,621	794,892
Curr. Liabilities	$ 9,478,872	$ 5,744,450
Long-term debt	7,482,212	3,549,717
Deferred inc. taxes	1,125,000	815,000
+ Common stock	176,116	179,766
Add. paid-in capital	11,107,965	11,439,879
Retained earnings	6,823,386	4,703,855
Total Liabilities & Shareholders' Equity	$ 36,193,551	$ 26,432,667

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	8.14	6.40
%Net Income to Sales	4.54	3.84
%Net Income to Equity	11.71	8.65
Sales to Inventories	3.35	4.60
Working Capital	$ 16,445,257	$ 13,629,938
Current Ratio	2.73	3.37
Shareholders' Equity	$ 18,107,467	$ 16,323,500

Scientific Industries, Inc.

70 Orville Drive
Airport International Plaza
Bohemia, N.Y. 11716
(516) 567-4700

Officers: Lowell A. Kleiman, president & treasurer; Charles N. Bellm, secretary; Claire McAuliffe, asst. sec.-asst. treas.

Directors: Charles N. Bellm, Joseph I. Kesselman, Lowell A. Kleiman, Roger B.Knowles, Arthur M. Bordon.

Areas of Work: Produces scientific instruments and apparatus for laboratory use. Products include liquid mixers, peristaltic pumps, hospital supply sterilizers, and temperature gradient incubators.

Transfer Agent(s):

Continental Stock Transfer &
Trust Co.
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SCND (NASDAQ)

Number of Employees:

1980	30	1979	30

Sales and Earnings

	Net Sales	Net Income
1980	$ 1,605,000	$ 73,500
1979	1,243,655	26,933
1978	1,001,163	(50,561)
1977	1,035,108	(7,117)
1976	1,237,682	91,987

	No. of Com. Shares	Earn. per Share ‡
1980	656,405	$0.11
1979	656,405	0.04
1978	625,719	—
1977	596,511	—
1976	568,616	0.14

(Loss)
‡ Based o the weighted average number of shares outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1980	1979	1978	1977
Laboratory equipment	65%	76%	83%	82%
Sterilizers, autoclaves and similar devices	35	24	17	18
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	5%	—
1978	—	5%	—
1977	—	5%	—
1976	—	5%	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 998,000	$1.52
1979	924,515	1.41
1978	898,110	1.44
1977	949,272	1.59
1976	957,163	1.68

Income Account *

Year ended June 30	1980	1979
Net sales	$ 1,605,000	$ 1,243,655
Cost of sales	1,039,100	802,095
Expenses	469,900	406,769
Other income	(17,400)	(16,939)
Interest expense	500	3,972
Other charges	4,800	4,825
Income before taxes	$ 108,100	$ 42,933
Tax credit	34,600	16,000
Net Income	$ 73,500	$ 26,933

* Included in Costs and Expenses, Depreciation and Amortization: $29,300 in 1980 and $28,371 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 43,300	$ 137,146
Accts. receiv., net	304,200	184,558
* Inventories	697,600	549,352
Prepaid expenses	26,700	24,066
Deferred taxes	—	1,400
Current Assets	$ 1,071,800	$ 896,522
# Fixed assets	126,100	118,099
Other assets	34,500	38,993
Cash value of ins.	7,200	6,357
Intangibles	14,800	23,193
Total Assets	$ 1,254,400	$ 1,083,164

Liabilities

	1980	1979
Accts. payable	$ 100,400	$ 37,462
Accruals & cust. deposits	130,200	112,154
Income taxes	25,800	9,033
Curr. Liabilities	$ 256,400	$ 158,649
+ Common stock	34,200	34,210
Add. paid-in capital	662,500	662,520
Retained earnings	374,900	301,412
Treasury stock	(73,600)	(73,627)
Total Liabilities & Shareholders' Equity	$ 1,254,400	$ 1,083,164

* At lower of cost (FIFO) or replacement market.
# Less accumulated depreciation and amortization.
+ $0.05 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	6.74	3.45
%Net Income to Sales	4.58	2.17
%Net Income to Equity	7.36	2.91
Sales to Inventories	2.30	2.26
Working Capital	$ 815,400	$ 737,873
Current Ratio	4.18	5.65
Shareholders' Equity	$ 998,000	$ 924,515

Scientific Radio Systems, Inc.

367 Orchard Street
Rochester, New York 14606
(716) [illegible]58-3733

Officers: Melvin S. Stiles, president; Harold F. Staudenmayer, v.p. & secretary; David W. Hoffman, vice president & treasurer; Neal Garman, vice president-marketing.

Directors: Melvin S. Stiles, chairman; Harold F. Staudenmayer, David W. Hoffman, Richard Calabrese, William Echter, Elton Burgett.

Areas of Work: Designs, develops, manufactures and sells long range radio communications products such as high frequency single sideband transceivers and accessories. Also, VHF-FM and MF transmitters and receivers.

Transfer Agent(s):

Marine Midland Bank, Bradford Shareholders Services
Two Broadway
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	175	1977	155
1979	200	1976	170
1978	176		

Plant Footage:

1980	60,000 sq. ft.	1977	60,000
1979	60,000	1976	50,000
1978	60,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 5,580,062	$ 196,132
1979	6,452,066	350,172
1978	5,920,288	318,561
1977	4,573,390	119,721
1976	4,956,349	232,261

	No. of Com. Shares	Earn. per Share †
1980	420,053	$0.45
1979	405,943	0.78
1978	435,417	0.70
1977	458,040	0.26
1976	457,268	0.50

† Based on the average number of common shares and common share equivalents outstanding

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 2,643,848	$6.29
1979	2,412,702	5.94
1978	2,133,701	4.90
1977	1,877,835	4.01
1976	1,778,380	3.80

Income Account *

Year Ended June 30	1980	1979
Net sales	$ 5,580,062	$ 6,452,066
Cost of sales	3,381,007	3,865,697
Expenses	1,667,221	1,879,742
Oper. profit	$ 531,834	$ 706,627
Interest expense	250,702	117,455
Income before taxes	$ 281,132	$ 589,172
Income taxes	85,000	239,000
Net Income	$ 196,132	$ 350,172

* Included in Costs and Expenses, Depreciation: $71,931 in 1980 and $54,332 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 33,801	$ 361,284
Cert. of deposit	46,636	200,000
Accts. receiv.,net	1,048,662	1,271,621
Cost in excess of amts. billed	440,281	1,083,983
Refundable inc. taxes	—	100,943
* Inventories	4,439,167	2,688,844
Prepaid expenses	24,081	21,688
Current Assets	$ 6,032,628	$ 5,728,363
# Fixed assets	659,749	572,980
Other assets	91,562	80,053
Total Assets	$ 6,783,939	$ 6,381,396

Liabilities

Note payable	$ 700,000	$ 50,000
Long-term debt, curr.	311,984	310,957
Accts. payable	420,152	551,457
Accrued expenses	482,141	516,015
Accrued income taxes	11,173	6,000
Def. income taxes	102,853	133,155
Dividend payable	25,198	28,417
Curr. Liabilities	$ 2,053,501	$ 1,596,001
Long-term debt	1,059,843	1,446,881
Deferred income taxes	1,026,747	885,812
Emp. stock ownership trust	—	40,000
+ Common stock	4,813	4,672
Add. paid-in capital	1,149,604	1,089,000
Retained earnings	1,594,797	1,424,389
Treasury stock	(105,366)	(105,359)
Total Liabilities & Shareholders' Equity	$ 6,783,939	$ 6,381,396

* At lower of cost (weighted average) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.04	9.13
%Net Income to Sales	3.51	5.43
%Net Income to Equity	7.42	14.51
Sales to Inventories	1.26	2.40
Working Capital	$ 3,979,127	$ 4,132,352
Current Ratio	2.94	3.59
Shareholders' Equity	$ 2,643,848	$ 2,412,702

Scientific-Atlanta, Inc.

One Technology Parkway
Box 105600
Atlanta, Georgia 30348
(404) 441-4000

Officers: Sidney Topol, chairman of the board, president & chief executive officer; Jack R. Kelly, Jr., executive v.p. & chief operating officer; Harry Topliss, Jr., sr. v.p., treasurer, & chief financial officer; Hugh W. Ness, sr. v.p.-Spectral Dynamics Corporation; William L. Davenport, v.p.-director of human resources; Charles S. Young, v.p.-instrumentation group; Lorimer Clayton, Jr., v.p.-technical director; Jules E. Kadish, v.p.-international operations; H. Raymond Eckman, v.p.-operations; Henry M. Burt, Jr., v.p.-industrial products group; H. Allen Ecker, v.p -telecommunicatins; John H. Levergood, v.p.-communications group; Sezer M. Soylemez, v.p.-informatio management; Delwin Bothof, v.p.-marketing; William S. Brown, v.p.-manufacturing; David A. Eggers, secretary & general counsel; Julian W. Eidson, controller; Peggy W. Jones, asst. secretary, E. Keith Burnett, v.p.-government systems.

Directors: Glen P. Robinson, Jr., Jack R. Kelly, Jr., Wilbur B. King, Joseph M. Pettit, Sidney Topol, William B. Harrison, James V. Napier, Hugh W. Ness, James E. Boyd.

Areas of Work: Designs, manufactures and markets commercial electronic signal generating and receiving equipment consisting of a variety of standard and proprietary communications and instrumentation products. Communications products are used in satellite earth stations, cable television receiving and distribution systems, wireless home security systems and energy management systems. Communications products include antennas, receivers, transmitters and related electronic equipment. The Company's instrumentation products are used by a wide range of industrial and military customers to electronically test, measure and help control various equipment and processes. Instrumentation products consist of spectrum analyzers and systems, instruments to test and measure the quality and performance of various types of telecommunications equipment, antenna test and measurement products, telementry products, and cabinets and enclosures.

Divisions:

Southern Tool & Machine Company Division
Anniston, Alabama 36201
(205) 831-2811
Precision machining and parts, investment casting and gear cutting.

New Jersey Division
Randolph Township, New Jersey 07801
(201) 361-3100
Manufactures and markets electronic instruments for test and measurement in the low frequency field.

Subsidiaries:

Scientific-Atlanta (U.K.) Ltd.
Staines, Middlesex, England

Scientific-Atlanta (Canada), Ltd.
Mississauga, Ontario, Canada

Scientific-Atlanta (France) S.A.R.L.
Le Blanc-Mesnil (Paris), France

Spectral Dynamics (U.K. Branch)
Hitchin, Herts, England

Spectral Dynamics (France) S.A.R.L.
Chatou, France

Spectral Dynamics Elektronik (Germany) GmbH
Munshen, West Germany

Dymac Europe (Netherlands)
Oss, The Netherlands

McKettrick-Agnew & Co., Ltd.
East Lothian, Scotland

Scientific-Atlanta (Italy) S.p.A.
Rome, Italy

Homesat, Inc.
Atlanta, Georgia

Spectral Dynamics Corporation
San Diego, California

Adar Associates, Inc.
Burlington, Massachusetts

Acquisition(s):

Systems Communications Cable, Incorporated
Phoenix, Arizona
Manufactures coaxial cable.

Transfer Agent(s):

The Citizens & Southern National Bank
99 Annex
Atlanta, Georgia 30303

Stock Exchange(s): New York

Ticker Symbol: SFA

Number of Employees:

1980	4,000	1977	1,550
1979	3,150	1976	1,455
1978	2,600		

Plant Footage:

1980	1,441,000 sq. ft.	1977	620,000
1979	1,100,000	1976	500,000
1978	864,000		

Sales and Earnings ‡

	Net Sales	Net Income
1980	$ 191,997,000	$ 12,721,000
1979	129,757,000	7,590,000
1978	98,698,000	5,542,000
1977	74,324,000	4,410,000
1976	63,061,000	2,723,000

	No. of Com. Shares †	Earn. per Share ‡ ‡
1980	10,388,576	$1.31
1979	8,904,458	0.89
1978	7,570,608	0.74

‡ Restated to include operations of companies acquired on a pooling of interests basis.
‡ ‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.
† Adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.10	—	2-for-1
1979	0.06⅔	—	3-for-2
1978	0.05	—	—
1977	0.03	—	—
1976	—	—	4-for-3

+ Adjusted to reflect stock splits.

Common Stock Equity †

	Total Equity	Equity Per Share ‡
1980	$ 86,341,000	$8.31
1979	49,515,000	5.56
1978	31,301,000	4.13

† Restated to include operations of companies acquired on a pooling of interests basis.
‡ Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended June 30	1980	1979‡
Net sales	$ 191,997	$ 129,757
Cost of sales	121,748	82,554
Expenses	45,209	31,695
Other income	(237)	(414)
Interest expense	2,257	1,632
Income before taxes	$ 23,020	$ 14,290
Income taxes	10,299	6,700
Net Income	$ 12,721	$ 7,590

* Included in Costs and Expenses, Depreciation: $3,481,000 in 1980 and $2,397,000 in 1979.
‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets
(000's)

As of June 30	1980	1979‡
Cash	$ 3,117	$ 4,181
Receivables, net	47,859	34,829
* Inventories	54,845	37,481
Current Assets	$ 105,821	$ 76,491
# Fixed assets	31,082	22,838
Other assets	1,964	1,159
Total Assets	$ 138,867	$ 100,488

Liabilities
(000's)

Short-term debt & long-term debt, curr.	$ 2,422	$ 4,693
Accts. payable	12,595	12,725
Accruals	11,414	8,219
Income taxes	7,522	2,956
Curr. Liabilities	$ 33,953	$ 28,593
Long-term debt	13,254	18,967
Deferred inc. taxes	5,319	3,413
+ Common stock	5,194	2,226
Add. paid-in capital	46,612	21,718
Retained earnings	34,535	25,571
Total Liabilities & Shareholders' Equity	$ 138,867	$ 100,488

‡ Restated to include operations of companies acquired on a pooling of interests basis.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.99	11.01
%Net Income to Sales	6.63	5.85
%Net Income to Equity	14.73	15.33
Sales to Inventories	3.50	3.46
Working Capital	$ 71,868,000	$ 47,898,000
Current Ratio	3.12	2.68
Shareholders' Equity	$ 86,341,000	$ 49,515,000

Scintrex Limited

222 Snidercroft Road
Concord, Ontario, Canada L4K 1B5
(416) 669-2280

Officers: Harold O. Seigel, president; Gerald Stork, v.p.-finance & adm.; Jon G. Blaird, v.p.-marketing; Anthony W. Howland-Rose, v.p.; Alfred J. Shaul, secretary.

Directors: Harold O. Seigel, Alfred J. Shaul, William L. Seigel, Gerald Stork, Jon G. Blaird, Harold I. Schiff, J. Denis Whitaker.

Areas of Work: Manufactures contract instrumentation, including spectrometers, advanced radiometric instruments, uranium exploration devices, and other earth science and nuclear power instrumentation devices.

Subsidiaries:

Scintrex Pty. Ltd.
1031 Wellington Street
West Perth, Australia 6005

6 Tramore Place
Killarney Heights
N.S.W., Australia 2087

Scintrex, Inc.
1973 West North Temple
Salt Lake City, Utah 84116
(801) 532-2447

Transfer Agent(s):

Guaranty Trust Company of Canada

Stock Exchange(s): Toronto

Ticker Symbol: SCT

Number of Employees:

1980	185	1978	185
1979	185	1977	150

Plant Footage:

1980	46,000 sq. ft.	1978	46,000
1979	46,000	1977	46,000

Sales and Earnings

	Net Sales	Net Income †
1981	$ 12,505,468	$ 547,628
1980	11,222,237	953,845
1979	9,007,473	826,589
1978	5,849,762	357,223
1977	4,938,408	202,063

	No. of Com. Shares	Earn. per Share ‡ †
1981	893,865	$0.59
1980	883,741	1.06
1979	879,741	0.92
1978	856,906	0.39
1977	859,406	0.20

† Including extraordinary gains of $101,000 ($0.11 per share) in 1979, $166,244 ($0.19 per share) in 1978 and $140,000 ($0.15 per share) in 1977.
‡ Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity ‡	Equity Per Share
1981	$ 4,205,478	$4.70
1980	3,623,399	4.10
1979	2,709,182	3.10
1978	1,864,557	2.17
1977	1,539,014	1.79

‡ After allowing for preferred stock at par value.

Income Account

Year ended Jan. 31	1981	1980
Net sales	$ 12,505,468	$ 11,222,237
Cost of sales & expenses	9,919,207	8,284,008
Expenses	1,552,843	1,189,983
Depreciation & amortization	468,855	407,615
Interest expense	192,401	138,992
Research & develop. grants	(328,866)	(191,769)
Income before taxes	$ 701,028	$ 1,393,408
Income taxes	153,400	439,563
Net Income	$ 547,628	$ 953,845

Assets

As of Jan. 31	1981	1980
Cash	$ 72,842	$ 75,418
Accts. receiv., net	2,694,201	1,755,865
* Inventories	2,843,297	2,063,506
Prepaid expenses	25,323	15,975
Survey contracts	408,188	433,518
Current Assets	$ 6,043,851	$ 4,344,282
# Fixed assets	2,130,093	1,748,586
Other assets	139,303	173,838
Total Assets	$ 8,313,247	$ 6,266,706

Liabilities

Notes payable	$ 1,576,482	$ 218,836
Long-term debt, curr.	—	456,420
Bank indebtedness	211,465	188,464
Accts. payable & accruals	1,653,556	1,250,622
Income taxes	44,532	29,095
Deferred inc. taxes	176,234	103,370
Curr. Liabilities	$ 3,662,269	$ 2,246,807
Deferred inc. taxes	118,000	69,000
+ Preferred stock	327,500	327,500
+ + Common stock	1,395,119	1,361,704
Contr. surplus	18,902	—
Retained earnings	2,791,457	2,263,479
Treasury stock	—	(1,784)
Total Liabilities & Shareholders' Equity	$ 8,313,247	$ 6,266,706

* At lower of cost (FIFO) and net realizable value.
# Less accumulated depreciation.
+ $1 par value.
+ + No par value.

Statistical Summary

%Income bef. Taxes to Sales	5.61	12.42
%Net Income to Sales	4.38	8.50
%Net Income to Equity	12.08	24.14
Sales to Inventories	4.40	5.44
Working Capital	$ 2,381,582	$ 2,097,475
Current Ratio	1.65	1.93
Shareholders' Equity	$ 4,532,978	$ 3,950,899

SCM Corporation

299 Park Avenue
New York, New York 10171
(212) 752-2700

Officers: Paul H. Elicker, president & chief executive officer; George E. Hall, sr. v.p.-adm.; Paul W. Neidhardt, sr. div. pres.; William L. Rodich, v.p., pres.-Chemical/Metallurgical Div.; George F. Burns, v.p., pres.-Consumer Products Div.; William V. Cawley, v.p. & treasurer; Herbert H. Egli, v.p.-finance; Richard Sexton, v.p., general counsel & secretary; Edward J. Romay, v.p.-materials; William D. Kinsell, Jr., v.p., pres.-Glidden Coatings & Resins Div.; Robert E. Dorfmeyer, v.p., pres.-Durkee Foods Div.; Ernest J. Klimczak, v.p.-pres.-Allied Paper, Inc.; James Balph, Victor E. Feuerherd, Gerard F. S[illegible]ddard, v.p.'s.

Directors: Robert O. Bass, John T. Booth, George F. Burns, Lewis H. Durland, Paul H Elicker*, George E. Hall*, George D. Kennedy*, Paul W. Neidhardt*, Crocker Nevin*, E. Everett Smith, William W. Quinn, Richard C. Bond*, Robert A. Schoellhorn.

* Member of Executive Committee.

Areas of Work: Manufactures products which are sold in consumer, industrial and office markets. Consumer products include Smith-Corona typewriters, Glidden paints, Proctor-

Silex appliances and Durkee Foods. Industrial products include chemical coatings, industrial and institutional foods, pigments and colors, metal powders, pump and paper, organic chemicals, ceramic frits, industrial dryers and industrial process equipment. Office products include typewriters, business forms and stationery, and telecommunications equipment for military and commercial users.

Divisions:

Consumer Products Division
299 Park Avenue
New York, New York 10171
(212) 752-2700

Glidden Coatings and Resins Division
900 Union Commerce Building
Cleveland, Ohio 44115
(216) 771-5121

Kleinschmidt Division
Lake Cook Road
Deerfield, Illinois 60015
(312) 945-1000

Allied Paper Division
1608 Lake Street
Kalamazoo, Michigan 49003
(616) 345-7131

Chemical/Metallurgical Division
Baltimore, Maryland

Organic Chemicals Division
Jacksonville, Florida

Durkee Foods Division
Cleveland, Ohio

Transfer Agent(s):

Bradford Trust Company
67 Broad Street
New York, New York 10004

Stock Exchange(s): New York, Pacific

Ticker Symbol: SCM

Number of Employees:

1980	27,400	1977	25,500
1979	28,600	1976	27,100
1978	27,400		

Sales and Earnings

	Net Sales	Net Income
1980	$ 1,892,392,000	$ 53,861,000
1979	1,753,723,000	47,352,000
1978	1,509,307,000	37,580,000
1977	1,377,644,000	37,412,000
1976	1,331,897,000	30,395,000

	No. of Com. Shares	Earn. per Share #
1980	9,588,000	$5.55
1979	9,545,000	4.98
1978	9,212,000	4.03
1977	9,196,000	4.01
1976	9,162,000	3.30

# Based on the weighted average number of shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Coatings & resins	$ 496,200	$ 447,700
Typewriters & appliances	345,300	321,400
Food	459,000	447,200
Business equipment	35,600	60,100
Chemicals	247,200	221,300
Paper products	297,000	245,100
Other	36,100	32,700
Eliminations	24,000	(21,800)
Total	$ 1,892,400	$ 1,753,700

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.425	—	—
1979	1.15	—	—
1978	1.025	—	—
1977	0.85	—	—
1976	0.675	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 455,345,000	$47.49
1979	414,447,000	43.42
1978	372,134,000	40.40
1977	343,649,000	37.37
1976	313,643,000	34.23

Income Account *
(000's)

Year ended June 30	1980	1979
Net sales	$ 1,892,392	$ 1,753,723
Cost of sales	1,386,191	1,294,213
Expenses	392,382	346,857
Interest expense	25,908	27,436
Other income	(1,839)	(81)
Income before taxes	$ 89,750	$ 85,298
Income taxes	35,889	37,946
Net Income	$ 53,861	$ 47,352

* Included in Costs and Expenses, Depreciation: $34,919 in 1980 and $34,399 in 1979.

Assets
(000's)

As of June 30	1980	1979
Cash	$ 6,025	$ 9,969
Marketable securities	4,833	18,997
Accts. receiv., net	246,194	245,519
* Inventories	356,170	329,586
Prepaid exp. & deferred taxes	18,558	19,127
Current Assets	$ 631,780	$ 623,198
# Fixed assets	349,885	326,782
Other assets	26,923	29,619
Total Assets	$ 1,008,588	$ 979,599

Liabilities
(000's)

	1980	1979
Loans payable	$ 47,058	$ 34,094
Long-term debt, curr.	2,827	2,843
Accts.payable	97,841	92,206
Accruals	101,333	98,027
Income taxes	13,677	33,778
Curr. Liabilities	$ 262,736	$ 260,948
Long-term debt	229,447	245,040
Other liabilities	29,552	27,957
Deferred inc. taxes	31,508	31,207
+ Common stock	47,942	47,724
Add. paid-in capital	116,505	116,045
Retained earnings	290,898	250,678
Total Liabilities & Shareholders' Equity	$ 1,008,588	$ 979,599

* At lower of average cost or market except pulp, paper and raw material content of edible oils at lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $5 par value.

Statistical Summary

% Income bef. Taxes to Sales	4.74	4.86
% Net Income to Sales	2.85	2.70
% Net Income to Equity	11.83	11.43
Sales to Inventories	5.31	5.32
Working Capital	$ 369,044,000	$ 362,250,000
Current Ratio	2.40	2.39
Shareholders' Equity	$ 455,345,000	$ 414,447,000

SCOPE Incorporated

1860 Michael Faraday Drive
Reston, Virginia 22090
(703) 471-5600

Officers: William C. Schaub, chairman of the board & president; Linus G. Schwartz, exec. v.p.; Howard E. Cochran, v.p.-finance & treasurer; Maurice I. Stein, v.p., Robert B. Hirsch, secretary.

Directors: William C. Schaub, chairman; Robert B. Hirsch, Joseph A. Hohos, John S. McCullough, Paul K.McKenney, Jr., Linus G. Schwartz, Herman B. McManaway Jerry S. Stover, Kenneth M. Miller.

Areas of Work: Operates principally in three industry segments of business: distribution systems, communications equipment and information systems. Operations in distribution systems involve the production and sale of electronic weight-measurement equipment employed in material handling, warehousing, packaging and manufacturing; computerized order entry and order processing systems; and material-handling conveyor systems. Operations in communications involve the production and sale of land-mobile industrial radios and data collection terminals. Operations information systems and federal defense, principally involve federal defense contracts.

Subsidiaries:

MRC Corporation
11212 McCormick Road
Hunt Valley, Maryland 21031
(301) 628-1300

SCOPE Electronics, Inc.
1860 Michael Faraday Drive
Reston, Virginia 22090
(703) 471-5600

REPCO Incorporated
2421 North Orange Blossom Trail
Orlando, Florida 32804
(305) 843-8494

Dimenson Inc.
1860 Michael Faraday Drive
Reston, Virginia 22090
(703) 471-5600

National Controls, Inc.
2320 Airport Boulevard
Santa Rosa, California 95401

W.C. Dillon & Company, Inc.
14620 Keswick Street
Van Nuys, California 91407

Transfer Agent(s):

First & Merchants National Bank
12th & Main Streets
Richmond, Virginia 23261

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SCPE (NASDAQ)

Number of Employees:

1980	1,550	1977	924
1979	1,574	1976	924
1978	1,680		

Plant Footage:

1980	605,500 sq. ft.	1977	307,000
1979	697,650	1976	307,000
1978	493,950		

SCOPE Incorporated

Sales and Earnings

	Net Sales ‡	Net Income
1980	$ 70,718,053	$ 2,498,480
1979	65,430,955	2,298,270
1978	59,158,516	3,736,127
1977	42,531,743	2,655,206
1976	34,102,374	2,135,771

	No. of Com. Shares	Earn. per Share #
1980	1,215,642	$2.06
1979	1,215,642	1.89
1978	1,215,642	3.08
1977	1,208,442	2.20
1976	1,202,992	1.78

‡ Includes contract income.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1980	1979	1978	1977
Communications equipment	32%	30%	32%	36%
Distribution systems	58	62	57	48
Information systems & federal defense	10	8	11	16
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.60	—	—
1979	0.60	—	—
1978	0.50	—	—
1977	0.40	—	—
1976	0.25	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 24,019,349	$19.76
1979	22,730,719	18.70
1978	21,736,499	17.88
1977	18,963,756	15.69
1976	16,742,917	13.92

Income Account

Year ended Dec. 31	1980	1979
Net sales & other income	$ 70,718,053	$ 65,430,955
Cost of sales	44,218,783	40,731,518
Expenses	19,326,238	17,857,536
Depreciation and amortization	1,439,701	1,264,682
Interest expense	2,900,742	2,584,574
Other income	(506,891)	(445,625)
Income before taxes	$ 3,339,480	$ 3,438,270
Income taxes	841,000	1,140,000
Net Income	$ 2,498,480	$ 2,298,270

Assets

As of Dec. 31	1980	1979
Cash & marketable securities	$ 741,590	$ 689,743
Receiv.,net	16,743,503	13,565,353
Refundable taxes	475,208	941,271
* Inventories	19,800,259	21,591,732
Prepaid expenses	474,717	465,044
Current Assets	$ 38,062,077	$ 37,023,143
Investments	3,077,944	3,806,170
# Fixed assets	9,748,251	7,767,007
Intangibles	1,343,241	1,356,785
Total Assets	$ 52,231,513	$ 49,953,105

Liabilities

Notes payable	$ 11,200,000	$ 8,270,000
Accts. payable & accruals	7,191,099	7,369,108
Income taxes	6,274	40,729
Curr. Liabilities	$ 18,397,373	$ 15,679,837
Notes payable	8,325,369	10,899,145
Deferred inc. taxes	572,514	256,514
Deferred comp.	542,244	386,890
+ Common stock	1,252,912	1,252,912
Add. paid-in capital	6,819,784	6,819,784
Retained earnings	17,817,694	16,048,599
Net loss on marketable equity securities	(1,473,996)	(993,531)
Treasury stock	(397,045)	(397,045)
Total Liabilities & Shareholders' Equity	$ 52,231,513	$ 49,953,105

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.72	5.25
%Net Income to Sales	3.53	3.51
%Net Income to Equity	10.40	10.11
Working Capital	$ 19,664,704	$ 21,343,306
Current Ratio	2.07	2.36
Shareholders' Equity	$ 24,019,349	$ 22,730,719

Sealectro Corporation

225 Hoyt Street
Mamaroneck, New York 10543
(914) 698-5600

Officers: William Silberstein, chairman of the board & president; Stanley A. Lescarboura, senior v.p.-marketing & sales; Jesse Silberstein, senior v.p.-administration & treasurer; G.E. Mohr, v.p.-gen. mgr., West Coast Sales; Irving W. Ballen, secretary.

Directors: Irving W. Ballen, Milton Harris, Stanley A. Lescarboura, Harry H. Rains, Jesse Silberstein, William Silberstein, Gordon S. Westwood.

Areas of Work: Engaged in the production of electronic interconnect devices utilized in similar applications in the electronics, aerospace, communications, data processing, machine tool and process control industries. Other products include programming matrix boards and solid state badge reading devices.

Subsidiaries:

Sealectro Ltd.
Walton Road, Farlington
Portsmouth, Hants., England

Sealectro S.A.
P.O. Box 24
De La Garde, France

Transfer Agent(s):

Chemical Bank
New York, New York

Stock Exchange(s): American

Ticker Symbol: SG

Number of Employees:

1980 . . . . . . 1,500 1979 1,400

Sales and Earnings

	Net Sales	Net Income
1980	$ 44,624,000	$ 2,840,000
1979	35,058,000	2,594,000
1978	27,179,916	1,307,743
1977	20,650,927	678,524
1976	17,374,116	272,798‡

	No. of Com. Shares +	Earn. per Share †
1980	1,485,216	$1.91
1979	1,485,189	1.77
1978	1,446,409	0.92
1977	1,400,381	0.49
1976	1,398,800	0.19‡

+ Adjusted to reflect stock dividend and stock split.
† Based on the weighted average number of shares outstanding adjusted to reflect stock dividend and stock split.
‡ Including extraordinary gain of $50,079 ($0.04 per share).

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	5-for-4
1979	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 15,627,000	$10.52
1979	12,774,000	8.60
1978	10,112,746	6.99
1977	8,691,909	6.21
1976	8,010,079	5.73

† Adjusted to reflect stock dividend and stock split.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 44,624,000	$ 35,058,000
Cost of sales	29,685,000	23,465,000
Expenses	9,130,000	7,254,000
Interest expense	616,000	417,000
Income before taxes	$ 5,193,000	$ 3,922,000
Income taxes	2,353,000	1,328,000
Net Income	$ 2,840,000	$ 2,594,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,230,000 in 1980 and $975,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 322,000	$ 419,000
Accts. receiv. net	7,814,000	6,681,000
* Inventories	10,941,000	7,266,000
Prepaid expense	236,000	186,000
Current Assets	$ 19,313,000	$ 14,552,000
# Fixed Assets	10,998,000	9,259,000
Fixed asset acquisition fund	528,000	2,478,000
Other assets	70,000	86,000
Total Assets	$ 30,909,000	$ 26,375,000

Liabilities

Notes payable	$ 86,000	$ 58,000
Long-term debt, curr.	476,000	413,000
Accts. payable	1,961,000	1,870,000
Accruals	3,033,000	2,527,000
Income taxes	1,827,000	1,353,000
Curr. Liabilities	$ 7,383,000	$ 6,221,000
Long-term debt	5,908,000	5,559,000
Deferred inc. taxes	1,991,000	1,821,000
+ Common stock	371,000	297,000
Add. paid-in capital	3,162,000	3,223,000
Retained earnings	12,098,000	9,258,000
Treasury stock	(4,000)	(4,000)
Total Liabilities & Shareholders' Equity	$ 30,909,000	$ 26,375,000

* At lower of cost (FIFO & LIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.64	11.19
%Net Income to Sales	6.36	7.40
%Net Income to Equity	18.17	20.31
Sales to Inventories	4.08	4.82
Working Capital	$ 11,930,000	$ 8,331,000
Current Ratio	2.62	2.34
Shareholders' Equity	$ 15,627,000	$ 12,774,000

G.D. Searle & Co.

Box 1045
Skokie, Illinois 60076
(312) 982-7000

Officers: Daniel C. Searle, chairman of the board; Wesley M. Dixon, Jr., vice chairman; Donald Rumsfeld, president & chief executive officer; Daniel L. Azarnoff, pres., Research & Develoment Div.; William M. Bartlett, pres., Medical Products Group; O.B. Parrish, pres., Pharmaceutical/Consumer Products Group; Donald J. Phillips, pres., Optical Group; Thomas J. Gavin, v.p.-tax; William I. Greener, Jr., v.p.-corp. relations; Joseph D. Morales, v.p. & controller; Robert B. Shapiro, v.p. & general counsel; Max C. Downham, secretary; Donald L. Seeley, treasurer.

Directors: Thomas G. Ayers, William G. Anlyan, Charles M. Bliss, Daniel C. Searle, Reuben F. Richards, Wesley M. Dixon, Jr., William L. Searle, Robinson Bosworth, Jr., Beryl Robichaud, Donald Rumsfeld, Daryl F. Grisham, Kurt J. Isselbacher, Donald P. Kelly, Andre M. deStaercke, Arthur M. Wood, Donald S. Perkins.

Areas of Work: Worldwide producer of health care products and services in three major areas of business: pharmaceuticals, medical products, and the prescription eyewear business. Pharmaceuticals, primarily ethical, represent the largest single part of the company's business. The medical products group manufactures and distributes a wide variety of medical, industrial and hospital supplies such as reusable and disposable surgical packs, garments, urological products, latex medical gloves, medical forms, and specialty gases and instruments.

Divisions and Subsidiaries:

Searle Pharmaceutical/Consumer Products Group
P.O. Box 5110
Chicago, Illinois 60680

Searle Pharmaceuticals, Inc.
P.O. Box 5110
Chicago, Illinois 60680

Searle Consumer Products Group
P.O. Box 5110
Chicago, Illinois 60680

Searle Pharmaceutical/Consumer Products Group
European Region
Searle S.A.
Place de la Gare 9
1260 Nyon, Switzerland

Searle Pharmaceutical/Consumer Products Group
Asia/Pacific Region
P.O. Box 5110
Chicago, Illinois 60680

G.D. Searle & Co. (LARO)
Latin American Region
2600 Douglas Road
Coral Gables, Florida 33134

Searle Chemicals, Inc.
P.O. Box 5110
Chicago, Illinois 60680

Searle and Co.
G.P.O. Box 3826
San Juan, Puerto Rico 00936

Searle Iberica, S.A.
C. de la Granja 23
Poligono Industrial de Alcobendas
Madrid, Spain

G.D. Searle & Co., Ltd.
P.O. Box 53
Lane End Road
High Wycombe/Buckinghamshire
HP 12-4HL, England

Keun Wha Searle Ltd.
985-3 Hawang Simri
2 Dong Seongdong-ku
Seoul, Korea

Laboratoire Searle
Perisud
7 Boulevard Romain-Rolland
92128 Montrouge, France

G.D. Searle GmbH
Postfach 701620
Konrad-Celtis Strasse 81
8000 Muenchen 70, Germany

G.D. Searle & Co. of Canada, Ltd.
400 Iroquois Road
Oakville, Ontario, Canada
L6H 1M5

G.D. Searle Argentina S.A.C.I.
Casilla de Correo 3893
Correo Central
Buenos Aires, Argentina

Searle Pharmaceutical/Consumer Products Group
Asia/Pacific South Region
Searle Australia Pty. Ltd.
P.O. Box 473
North Sydney, N.S.W. 2060
Australia

G.D. Searle Far East, Inc.
Osaka Higashi
P.O. Box 698
540-91
Osaka, Japan

Searle Farmaceutica do Brazil Ltd.
Rua Pamplona 512
Sao Paulo, Brazil 1525

G.D. Searle, S.A.
Apartado 1848
Mexico 1 D.F.

Searle Venezuela C.A.
Apartado 75-737
Caracas 107, Venezuela

Searle Medical Products Group
P.O. Box 1045
Skokie, Illinois 60076

Searle-Will Ross Division
P.O. Box 47260
Dallas, Texas 75247

Matheson Division
Box E
Lyndhurst, New Jersey 07071

Briggs Corporation
P.O. Box 1698
Des Moines, Iowa 50306

Akwell Industries
P.O. Box 1252
Dothan, Alabama 36301

Searle Medical GmbH
Ottostrasse 13
6056 Heusenstamm
West Germany

Searle Medical, S.A.
B.P. 238
9 Chaussee Jules Cesar
95523 Cergy Pontoise
France

Searle Medical Products
P.O. Box 88, Lane End Road
High Wycombe/Buckinghamshire
HP 12 4 HL
United Kingdom

Searle Optical Group

Searle Optical Inc.
P.O. Box 226139
Dallas, Texas 75266

Brilmij
Amersfoortsestraat 84A
3769 AM Soesterberg
The Netherlands

Vision Center of Puerto Rico
1122 Ponce de Leon
Rio Piedras, Puerto Rico 00925

Lentes Franklin S.A.
Calle Vicente, Guerrero OTE.
Ciudad Juarez, CHIH., Mexico

Pearle Vision Center, Ltd.
Broadfield's House
Headstone Lane
Harrow, Middlesex, England

Searle Research and Development Division
P.O. Box 5110
Chicago, Illinois 60680

Searle Research and Development
P.O. Box 53, Lane End Road
High Wycombe/Buckinghamshire
HP 12 4HL, United Kingdom

Searle Recherche et Developpement
B.P. 23
Sophia Antipolis 06560
Valbonne, France

Transfer Agent(s):

Harris Trust and Savings Bank
Chicago, Illinois

Stock Exchange(s): New York, Midwest

Ticker Symbol: SRL

Number of Employees:

1980	17,700	1977	21,000
1979	18,000	1976	21,000
1978	17,100		

Sales and Earnings

	Net Sales ‡	Net Income †
1980	$1,081,558,000	$ 98,341,000
1979	898,369,000	87,949,000
1978	771,243,000	72,187,000
1977	674,020,000	60,510,000
1976	593,250,000	61,519,000

	No. of Com. Shares	Earn. per Share # †
1980	52,200,000	$1.85
1979	52,700,000	1.66
1978	52,595,528	1.37
1977	52,595,528	—
1976	52,374,493	1.18

‡ Of continuing operations only.
† Including extraordinary gain of $13,000,000 ($0.24 per share) in 1980.
# Based of weighted average number of common shares and common share equivalents outstanding.

G.D. Searle & Co.

Revenues By Line of Business
(000's)

	1980	1979
Pharmaceutical/ consumer products	$ 589,509	$ 505,550
Hospital products	295,393	261,970
Optical	196,625	130,652
Other	31	197
Total	$ 1,081,558	$ 898,369

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.52	—	—
1979	0.52	—	—
1978	0.52	—	—
1977	0.52	—	—
1976	0.52	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 548,922,000	$10.52
1979	488,597,000	9.28
1978	426,932,000	8.12
1977	381,370,000	7.25
1976	436,326,000	8.33

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 1,081,558	$ 898,369
Cost of sales	475,314	390,326
Expenses	435,277	354,578
Oper. profit	$ 170,967	$ 153,465
Minority interest	13,892	10,671
Interest expense	37,246	28,828
Interest capitalized	(1,872)	—
Interest income	(34,786)	(26,379)
Other expense	16,723	4,730
Income before taxes	$ 139,764	$ 135,615
Income taxes	45,423	46,611
Income from cont. oper.	$ 94,341	$ 89,004
Loss from discont. oper.	(9,000)	(1,055)
Net Income	$ 85,341	$ 87,949
Extraord. gain	13,000	—
Net Income & extraord. gain	$ 98,341	$ 87,949

* Included in Costs and Expenses, Depreciation and Amortization: $30,857,000 in 1980 and $24,546,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 4,577	$ 12,568
Cert. of depost.	142,660	109,018
Marketable securities	45,173	81,563
Receiv.,net	230,927	215,023
* Inventories	202,084	208,879
Other assets	30,616	28,240
Current Assets	$ 656,037	$ 655,291
Marketable sec. & cert. of deposit	148,686	177,215
# Fixed assets	249,695	212,972
Other assets	19,451	18,830
Plant under construc.	3,401	21,798
Goodwill	40,078	32,239
Intangible	12,650	13,277
Total Assets	$ 1,129,998	$ 1,131,622

Liabilities
(000's)

Notes & loans payable	$ 109,424	$ 78,117
Long-term debt, curr.	152,393	103,368
Accts. payable	52,739	40,182
Accruals	93,957	89,788
Income taxes	27,337	16,034
Curr. Liabilities	$ 435,850	$ 327,489
Long-term debt	90,415	245,957
Other liabilities	27,499	30,711
Dispos. of assets of discont. oper.	8,161	4,458
Deferred inc. taxes	19,151	34,410
+ Common stock	17,657	17,597
Add. paid-in capital	57,804	54,056
Retained earnings	488,203	417,261
Shares repurchased	(14,742)	(317)
Total Liabilities & Shareholders' Equity	$ 1,129,998	$ 1,131,622

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.033⅓ par value.

Statistical Summary

%Net Income to Equity	15.55	18.00
Sales to Inventories	5.35	4.30
Working Capital	$ 220,187,000	$ 327,802,000
Current Ratio	1.51	2.00
Shareholders' Equity	$ 548,922,000	$ 488,597,000

Semicon, Inc.

10 North Avenue
Burlington, Massachusetts 01803
(617) 272-9015

Officers: Rolland V. Robison, president; Robert E. House, exec. v.p.; Herbert N. Goldman, v.p. -engineering; David H. Weener, v.p. -finance; Robert A. Irvin, v.p. -marketing; Robert F. Conlon, treasurer.

Directors: Herbert N. Goldman, Robert E. House, Rolland V. Robison, Charles T. Russell, Jr., Mary E. Weber.

Areas of Work: Engaged in the manufacture and sale of semiconductor devices such as zener diodes, high voltage diodes and rectifiers, primarily to the television, industrial, commercial, telephone, military, computer and automotive industries. Also manufactures printed circuit boards.

Subsidiaries:

Microfab, Inc.
Amesbury, Massachusetts

ST-Semicon, Inc.
Bloomington, Indiana

Transfer Agent(s):

Continental Stock Transfer and Trust Co.
(common stock)
19 Rector Street
New York, New York 10006

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SEME (NASDAQ)

Number of Employees:

1980	561	1978	503
1979	559	1977	337

Plant Footage:

1980	158,000 sq.ft.	1978	133,000
1979	158,000	1977	63,000

Sales and Earnings

	Net Sales	Net Income ‡	No. of Com. Shares #	Earn. per Share #‡
1980	$ 23,146,000	$ 1,213,000	1,458,000	$0.83
1979	19,033,000	927,000	1,483,000	0.63
1978	15,081,000	778,000	1,486,000	0.52
1977	9,514,036	574,665	1,490,000	0.39
1976	6,828,019	377,256	1,487,000	0.25

‡ Including extraordinary credit of $18,000 ($0.05 per share) in 1976.
# Based on average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	2-for-1
1978	—	—	—
1977	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 3,857,000	$2.64
1979	2,844,000	1.93
1978	2,022,000	1.36
1977	1,214,212	0.83
1976	655,481	0.45

† Adjusted to reflect stock splits.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 23,146,000	$ 19,033,000
Other income	22,000	8,000
Total income	$ 23,168,000	$ 19,041,000
Cost of sales	17,283,000	14,507,000
Expenses	2,930,000	2,452,000
Interest & debt expense	728,000	469,000
Income before taxes	$ 2,227,000	$ 1,613,000
Income taxes	1,014,000	686,000
Net Income	$ 1,213,000	$ 927,000

* Included in Costs and Expenses, Depreciation and Amortization: $527,000 in 1980 and $416,000 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 178,000	$ 124,000
Accts. receiv., net	3,149,000	2,662,000
* Inventories	3,938,000	2,659,000
Prepaid expenses	122,000	129,000
Current assets	$ 7,387,000	$ 5,574,000
# Fixed assets	3,402,000	2,854,000
Other assets	279,000	253,000
Total Assets	$ 11,068,000	$ 8,681,000

Liabilities

Notes payable	$ 1,104,000	$ 568,000
Long-term debt, curr.	241,000	533,000
Accts. payable	2,160,000	1,329,000
Accrued payroll	606,000	541,000
Income taxes	361,000	73,000
Curr. Liabilities	$ 4,472,000	$ 3,044,0000
Long-term debt	2,492,000	2,615,000
Deferred inc. taxes	247,000	178,000
+ Common stock	754,000	744,000
Add. paid-in capital	196,000	10,000
Retained earnings	3,429,000	2,216,000
Treasury stock	(344,000)	(126,000)
Total Liabilities & Shareholders' Equity	$ 11,068,000	$ 8,681,000

* At lower of estimated cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.62	8.47
%Net Income to Sales	5.24	4.87
%Net Income to Equity	31.45	32.59
Sales to Inventories	5.88	7.16
Working Capital	$ 2,915,000	$ 2,530,000
Current Ratio	1.65	1.83
Shareholders' Equity	$ 3,857,000	$ 2,844,000

Semtech Corporation

652 Mitchell Road
Newbury Park, California 91320
(213) 628-5392

Officers: Harvey Stump, president; Gustav H.D. Franzen, executive vice president; William B. Krause, vice president-marketing; Charles P. Cunningham, v.p.-finance; Alan Gateka, v.p.-engineering; Raymond Greaves, v.p.-materiel; Mary K. Sherman, v.p.-adm.; John M. Anglin, secretary.

Directors: Joseph S. O'Flaherty, chairman; Harvey Stump, J. Spencer Letts, Gustav H.D. Franzen, Thomas L. Kempner, William B. Krause, Harold Joseph Smead.

Areas of Work: Manufactures discrete silicon rectifiers, standard and special arrays, and submarine and standard rectifiers.

Subsidiaries:

Semtech Ltd.
Whitehall Industrial Estate
Glenrothes, Fife, Scotland
Glenrothes 773520

Transfer Agent(s):

United California Bank
P.O. Box 54261
Terminal Annex
Los Angeles, California 90054

Stock Exchange(s): American

Ticker Symbol: SMH

Number of Employees:

1980	590	1977	550
1979	680	1976	450
1978	600	1975	450

Plant Footage:

1981	153,000 sq. ft.	1978	142,000
1980	148,000	1977	142,000
1979	142,000		

Sales and Earnings

	Net Sales	Net Income
1981	$ 15,098,000	$ 160,000
1980	15,912,000	1,059,000
1979	15,357,000	948,000
1978	14,205,000	792,000
1977	12,327,000	918,000

	No. of Com. Shares	Earn. per Share ‡
1981	1,667,580	$0.09
1980	1,629,252	0.61
1979	1,582,357	0.55
1978	1,536,797	0.46
1977	1,508,209	0.53

‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$0.15	3%	—
1980	0.20	3%	—
1979	0.20	3%	—
1978	0.15	3%	—
1977	—	3%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1981	$ 10,711,000	$6.20
1980	10,806,000	6.25
1979	10,074,000	5.83
1978	9,366,000	5.42
1977	8,885,000	5.14

‡ Adjusted to reflect stock dividend.

Income Account *

Year ended Jan. 31	1981	1980
Net sales	$ 15,098,000	$ 15,912,000
Cost of sales	10,361,000	9,729,000
Expenses	4,590,000	4,246,000
Interest expense (income)	72,000	(27,000)
Income before taxes	$ 75,000	$ 1,964,000
Income taxes (credit)	(85,000)	905,000
Net Income	$ 160,000	$ 1,059,000

* Included in Costs and Expenses, Depreciation and Amortization: $673,000 in 1981 and $516,000 in 1980.

Assets

As of Jan. 31	1981	1980
Cash	$ 103,000	$ 414,000
Cert. of deposit	—	600,000
Receiv., net	2,542,000	2,812,000
* Inventories	6,636,000	5,590,000
Prepaid expenses	66,000	22,000
Refundable taxes	249,000	—
Current Assets	$ 9,596,000	$ 9,438,000
# Fixed assets	4,614,000	3,592,000
Total Assets	$ 14,210,000	$ 13,030,000

Liabilities

Short-term borr.	$ 800,000	$ —
Cap. lease oblig., curr.	60,000	—
Accts payable	1,085,000	492,000
Accruals	770,000	949,000
Income taxes	—	487,000
Curr. Liabilities	$ 2,715,000	$ 1,928,000
Cap. lease oblig.	173,000	—
Deferred inc. taxes	611,000	296,000
+ Common stock	32,000	31,000
Add. paid-in capital	4,315,000	3,833,000
Retained earnings	6,364,000	6,942,000
Total Liabilities & Shareholders' Equity	$ 14,210,000	$ 13,030,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	12.34
%Net Income to Sales	1.06	6.66
%Net Income to Equity	1.49	9.80
Sales to Inventories	2.28	2.85
Working Capital	$ 6,881,000	$ 7,510,000
Current Ratio	3.53	4.90
Shareholders' Equity	$ 10,711,000	$ 10,806,000

Sensormatic Electronics Corporation

500 N.W. 12th Avenue
Hillsboro Plaza
Deerfield Beach, Florida 33441
(305) 427-9700

Officers: Ronald G. Assaf, chairman of the board & president; James E. Lineberger, chairman of the executive committee; George M. Harbin, Jr., exec. v.p.; David R. Humble, vice president -future products; Leonard R. Barbato, vice president-finance, secretary & treasurer; William G. Weider, v.p. -mfg.; Walter B. Kurgas, v.p. -operations; J.G. Farrar, v.p. -eng; Albert R. Tate, Jr., v.p. -marketing, Western region.

Directors: Ronald G. Assaf, chairman; James E. Lineberger, Arthur G. Milnes, Jerome M. LeWine, Allen J. Dusault, Arthur S. Nicholas.

Areas of Work: Designs and manufactures electronic surveillance systems.

Divisions and Subsidiaries:

Eastern Region
415 Madison Avenue
19th Floor
New York, New York 10017

Western Region
2394 Royal Oaks Drive
Alamo, California 94507

Sensormatic de Argentina
Rio Bamba 340
Piso 12-Of A
Buenos Aires, R. Argentina

Senelco, Ltd.
Dormey House, Upton Road
Slough, SL1 2AD
Bucks, England

Senelco France S.A.
19 Avenue Gourgaud
75017 Paris
France

Sensormatic do Brasil Ltda.
Rua Manoel Da III Nobrega
2 Andar-g22
Sao Paulo, CEP04001
Brazil

Sensormatic Electronics of Canada, Limited
2015 Peel Street
12th Floor
Montreal, Quebec, Canada

Sensormatic Electronics of Canada, Ltd.
240 North Queen Street
Etobicoke, Ontario
M9C 4Y1 Canada

Senelco (Pty.) Ltd.
23 Ben Boyd Road
Neutral Bay
New South Wales
Australia 2089

Takachiho Koheki Company, Ltd.
2-8,1-Chome, Yotsuya
Shinjuku-ku, Tokyo,160,
Japan

Sensormatic Electronica de Mexico, S.A.
Durango 245
Suite 1004
Mexico 7, D.F.

Senelco (Benelux) S.A.
Avenue du Roi Albert 177
1080 Brussels
Belgium

Senelco (Pty.) Ltd.
P.O. Box 781712
Sandton, 2146
South Africa

SOGEM, S.P.A.
Via-R.-Vergani, Marelli 1
20100 Milano
Italy

Sensormatic de Panama, S.A.
Apartado 4411
Panama 5

Sensormatic Electronics Corporation

Sensormatic Scandinavia ApS
Fredericiagade 16
DK-1310 Copenhaagen
Denmark

Sensormatic de Venezuela S.A.
P.O. Box 76956
Caracas 107
Venezuela

Procesac
Moneda 1123
Casilla 1638
Santiago, Chile

Sensormatic Sweden AB
Manufakturgatan 12
S-417 07
Goteborg, Sweden

Senelco A.G.
Witikoner Str. 237
8053 Zurich
Switzerland

Senelco Ges.m.b.H.
Markgrof-Rudrigerstrasse 6
1150 Vienna
Austria

Senelco-Hellas
9 Skoufa Street
Kolonaki, Athens
Greece

Polygon Trading Co. (Israel) Ltd.
9, Al-Adrisi Street
Haifa, Israel

Sensormatic de Peru
Apartado 11159 Lince
Lima, Peru

Senelco Gmbh
Kaiserswerther Strasse 289
4000 Dusseldorf 30
West Germany

Transfer Agent(s):

Southeast Banks Trust Company, N.A.
P.O. Box 014078
Miami, Florida 33101

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SNSR (NASDAQ)

Number of Employees:

1980	811	1977	328
1979	811	1976	275
1978	510		

Plant Footage:

1980	85,000 sq.ft.	1977	41,000
1979	85,000	1976	41,000
1978	85,000		

Sales and Earnings

	Revenues	Net Income #
1980	$ 38,864,000	$ 6,031,000
1979	27,768,000	4,425,000
1978	19,153,000	3,284,000
1977	13,791,000	3,045,000
1976	9,737,000	1,877,582

	No. of Com. Shares	Earn. per Share ‡#
1980	3,116,847	$1.91
1979	2,658,180	1.52
1978	2,502,969	1.21
1977	2,400,421	1.22
1976	2,110,520	0.88

# Including extraordinary gains of $288,000 ($0.11 per share) in 1978, $1,480,000 ($0.59 per share) in 1977 and $900,000 ($0.42 per share) in 1976.

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 32,700,000	$10.49
1979	16,515,000	6.21
1978	10,970,000	4.38
1977	7,065,000	2.94
1976	3,186,729	1.51

Income Account

Year ended May 31	1980	1979‡
Revenues	$ 38,864,000	$ 27,768,000
Cost of sales	9,015,000	6,245,000
Expenses	26,772,000	10,652,000
Depreciation	3,777,000	2,260,000
Int. income	(986,000)	(191,000)
Int. expense	707,000	536,000
Amortization	191,000	181,000
Other expense	289,000	97,000
Income before taxes	$ 11,099,000	$ 7,988,000
Income taxes	5,068,000	3,563,000
Net Income	$ 6,031,000	$ 4,425,000

‡ Reclassified to conform to current presentation.

Assets

As of May 31	1980	1979
Cash	$ 5,116,000	$ 1,263,000
Accts. receiv., net	20,506,000	10,191,000
Prepaid expenses	267,000	324,000
# Fixed assets	22,963,000	16,953,000
Intangibles	1,454,000	1,493,000
Deferred charges	1,318,000	1,903,000
Total Assets	$ 51,624,000	$ 32,127,000

Liabilities

Notes payable	$ 3,623,000	$ 6,435,000
Accts. payable	3,385,000	1,691,000
Accruals	3,479,000	3,341,000
Income taxes	1,228,000	1,158,000
Deferred income taxes	7,061,000	2,789,000
+ Preferred stock	148,000	198,000
+ Common stock	31,000	27,000
Add. paid-in capital	23,592,000	13,229,000
Retained earnings	9,653,000	3,977,000
Treasury stock	(576,000)	(718,000)
Total Liabilities & Shareholders' Equity	$ 51,624,000	$ 32,127,000

‡ Reclassified to conform to current presentation.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Revenues	28.56	28.77
%Net Income to Revenues	15.52	15.94
%Net Income to Equity	18.44	26.79
Shareholders' Equity	$ 32,700,000	$ 16,515,000

Sentry Manufacturing Company

Crystal Park
Chickasha, Oklahoma 73018
(405) 224-6780

Officers: Joe C. Norman, chairman; D.R. Abel, president & chief executive officer; Don McElroy, v.p.; Hugh D. Rice, secretary; Bob R. Golightly, controller.

Directors: Joe C. Norman, chairman; D. R. Abel, Charles Allen, W.G. Poole, Hugh D. Rice, D. Gordon Wiley, Robert L. Keirsey.

Areas of Work: Manufactures frequency determining crystals for radio, and other applications, oscillator assemblies, communication product assemblies and positive temperature coefficient resistors.

Subsidiaries:

Sentry de Mexico, S.A. de C.V.
Juarez, Mexico

Acquisition(s):

Crystal Devices, Inc.
Phoenix, Arizona
Manufactures monolithic crystal filters.

Transfer Agent(s):

Liberty National Bank & Trust Company
100 Broadway
Oklahoma City, Oklahoma 73102

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SNTC (NASDAQ)

Number of Employees:

1980	208	1977	178
1979	173	1976	469
1978	194	1975	376

Sales and Earnings

	Net Sales	Net Income
1980	$ 3,588,756	$ 368,287
1979	2,559,912	(173,170)
1978	2,296,439	53,939
1977	2,784,943	(844,545)
1976	5,035,928	171,173

	No. of Com. Shares	Earn. per Share ‡
1980	595,542	$0.62
1979	595,542	—
1978	595,542	0.09
1977	595,542	—
1976	595,542	0.29

(Loss)
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,317,504	$2.21
1979	949,217	1.59
1978	1,122,387	1.88
1977	1,042,248	1.75
1976	2,051,354	3.44

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 3,588,756	$ 2,559,912
Cost of sales	2,253,529	1,635,735
Expenses	889,580	700,253
Interest expense (income)	(129,272)	117,679
Other income	51,912	(33,929)
Unusual items	—	313,344
Income (loss) before taxes	$ 368,287	$ (173,170)
Income taxes	115,000	—
Net income (loss)	$ 253,287	$ (173,170)
Extraord. credit	115,000	—
Net income (Loss) & extraord. credit	$ 368,287	$ (173,170)

* Included in Costs and Expenses, Depreciation: $81,298 in 1980 and $117,141 in 1979.

Assets

As of Dec. 31	1980	1979
Cash & Time deposits	$ 340,117	$ 418,556
Accts. receiv., net	619,208	293,892

TOCOM, Inc.

Areas of Work: Manufactures and markets cable televison and communication equipment, including head-ends, home terminals, converters and amplifiers; designs and installs two-way cable systems; manages two-way systems under contracts with system owners; develops a computer controlled two-way communication system which provides several services in addition to cable television, including fire and burglar alarms, subscriber opinion polls and television rating surveys.

TOCOM-MEX, S.A. de C.V.
Matamoros, Tamaulipas, Mexico
Assemblies equipment manufactured by the company.

TOCOM Financial, Inc.
Operates cable security systems.

Transfer Agent(s):

Republic National Bank of Dallas
Dallas, Texas

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TOCOM (NASDAQ)

Number of Employees:

1980	295	1977	158
1979	210	1976	75
1978	180		

Plant Footage:

1980	52,500 sq. ft.	1977	29,000
1979	29,000	1976	29,000
1978	29,000		

Sales and Earnings

	Net Sales ‡	Net Income †
1980	$ 8,550,933	$ (996,726)
1979	6,953,945	27,803
1978	4,158,149	87,709
1977	2,732,473	(297,801)
1976	2,713,478	(427,404)

	No. of Com. Shares #	Earn. per Share # †
1980	3,137,950	$ —
1979	3,312,516	0.01
1978	2,867,048	0.03
1977	1,895,552	—
1976	1,847,274	—

(Loss)
‡ Of continuing operations only.
† Including extraordinary gains of $5,217,000 in 1979 and $28,600 ($0.01 per share) in 1978.
# Based on weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	2-for-1
1979	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 2,197,239	$0.70
1979	2,062,197	0.62
1978	1,980,001	0.69
1977	1,638,664	0.86
1976	849,785	0.46

# Based on weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 8,550,933	$ 6,953,945
Cost of sales	6,302,459	5,059,152
Expenses	2,809,531	1,812,011
Interest income	(18,716)	(17,658)
Other income	(58,499)	(103,804)
Interest expense	512,884	176,441
Income (loss) before taxes	$ (996,726)	$ 27,803
Income taxes	—	5,217
Net Income (Loss)	$ (996,726)	$ 22,586
Extraord. gain	—	5,217
Net Income (Loss) & extraord. gain	$ (996,726)	$ 27,803

* Included in Costs and Expenses, Depreciation and Amortization: $159,549 in 1980 and $108,769 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 150,771	$ 960,718
Receiv., net	3,013,839	2,507,915
Advance to affil.	—	75,838
* Inventories	3,179,023	2,000,113
Prepaid expenses	80,399	136,157
Current Assets	$ 6,424,032	$ 5,680,741
# Fixed assets	1,588,234	840,128
Other assets	675,061	138,503
Total Assets	$ 8,687,327	$ 6,659,372

Liabilities

Notes payable	$ 1,616,737	$ 43,540
Long-term debt, curr.	66,987	84,518
Accounts payable	898,739	850,745
Accruals	366,924	228,863
Advance payments	48,396	109,967
Curr. Liabilities	$ 2,997,783	$ 1,317,633
Long-term debt	125,911	119,065
Deferred gain on sale & leaseback	102,405	120,477
Payable to affiliate	223,989	—
Convert. subord. deben.	3,040,000	3,040,000
+ Common stock	330,737	151,270
Add. paid-in capital	4,842,426	3,893,768
Deficit	(2,937,403)	(1,940,677)
Treasury stock	(38,521)	(42,164)
Total Liabilities & Shareholders' Equity	$ 8,687,327	$ 6,659,372

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	0.40
%Net Income to Sales	—	0.32
%Net Income to Equity	—	1.10
Sales to Inventories	2.69	3.48
Working Capital	$ 3,426,249	$ 4,363,108
Current Ratio	2.14	4.31
Shareholders' Equity	$ 2,197,239	$ 2,062,197

Torotel, Inc.

P.O. Box 608
Raymore, Missouri 64083
(816) 331-8400

Officers: Dale H. Sizemore, chairman of theboard; Larry R. Whitaker, president; Pauline R.Sizemore, vice president; Harry A. Morris, secretary; Donald H. Loudon, asst. secretary; Larry W. Sayre, treasurer.

Directors: Dale H. Sizemore, Pauline Sizemore, Harry A. Morris, Larry R. Whitaker, Alan J. Brown, Donn L. Williams, Morton D. Margolis.

Areas of Work: Engaged in the engineering, testing and manufacturing of transformers, inductors, toroidal coils, statistical multiplexers, laminated chokes, molded RF chokes, capacitors, molded epoxy products, oscillators, LC filters, and discrete component modules. Also develops and manufactures environmental telecommunications and electrical test equipment.

Subsidiaries:

Halcyon Communications, Inc.
San Jose, California
Engineers, manufactures and markets instruments for the telephone and communication industry, including data-line transmission test equipment and conditioning sets.

Totel Products, Inc.
Grandview, Missouri
Designs and manufactures magnetic components such as transformers, inductors, and other iron-core components.

Halcyon International, Inc.
San Jose, California

Halcyon W.H.C., Inc.
San Jose, California

Transfer Agent(s):

First National Bank of Kansas City
Kansas City, Missouri

Wells Fargo Bank, N.A.
San Francisco, California

Stock Exchange(s): American

Ticker Symbol: TTL

Sales and Earnings

	Net Sales	Net Income
1981	$ 19,737,000	$ 732,000
1980	16,402,177	460,221
1979	12,475,262	193,020
1978	10,325,755	736,665
1977	8,373,819	509,362

	No. of Com. Shares ‡	Earn. per Share ‡
1981	1,786,168	$0.41
1980	1,764,121	0.26
1979	1,768,796	0.11
1978	1,740,455	0.42
1977	1,722,184	0.30

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1081	—	6%	—
1980	—	6%	—
1979	—	6%	—
1978	—	5¼%	—
1977	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1981	$ 8,724,000	$4.88
1980	3,797,066	2.15
1979	3,308,765	1.87
1978	3,015,846	1.73
1977	2,284,357	1.33

‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock dividends and stock split.

Income Account *

Year ended March 31	1981	1980
Net sales	$ 19,737,000	$ 16,402,177
Cost of sales	9,569,000	8,216,394
Expenses	8,213,000	6,780,816
Interest expense	850,000	681,397
Other income	(24,000)	(13,651)
Income before taxes	$ 1,129,000	$ 737,221
Income taxes	397,000	277,000
Net Income	$ 732,000	$ 460,221

* Included in Costs and Expenses, Depreciation and Amortization: $402,000 in 1981 and $310,000 in 1980.

Assets

As of March 31	1981	1980
Cash & cert. of deposit	$ 486,000	$ 486,498
Accts. receiv., net	4,972,000	4,395,808
* Inventories	4,992,000	3,597,702
Refundable income taxes	636,000	—
Other assets	62,000	81,580
Current Assets	$ 11,148,000	$ 8,561,588
# Fixed assets	4,914,000	1,900,509
Other assets	198,000	165,285
Intangibles	369,000	400,278
Total Assets	$ 16,629,000	$ 11,027,660

Liabilities

	1981	1980
Notes payable	$ 2,043,000	$ 1,892,448
Long-term debt, curr.	433,000	588,125
Accts. payable	2,059,000	1,469,726
Accruals	791,000	548,247
Income taxes	906,000	224,854
Curr. Liabilities	$ 6,232,000	$ 4,723,400
Long-term debt.	1,582,000	2,438,194
Def. inc. taxes	91,000	69,000
+ Common stock	1,158,000	816,224
Add. paid-in capital	7,018,000	2,475,595
Retained earnings	590,000	518,829
Treasury stock	(42,000)	(13,582)
Total Liabilities & Shareholders' Equity	$ 16,629,000	$ 11,027,660

* At lower of cost or market.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

	1981	1980
%Income bef. Taxes to Sales	5.72	4.49
%Net Income to Sales	3.71	2.81
%Net Income to Equity	8.39	12.12
Sales to Inventories	3.95	4.56
Working Capital	$ 4,916,000	$ 3,838,188
Current Ratio	1.79	1.81
Shareholders' Equity	$ 8,724,000	$ 3,797,066

Tracor, Inc.

6500 Tracor Lane
Austin, Texas 78721
(512) 926-2800

Officers: Frank W. McBee, Jr., president and chief executive officer; group vice presidents: Walter A. Clements-components, William J. Buffo-instruments, William C. Moyer-applied sciences, Hardy M. Caton-aerospace; Jim A. Smith, vice president, treasurer & chief financial officer; Audrey T. Dearing, corp. secretary; Russell E. Painton, corporate counsel; Judith Asel Newby, dir. of public relations; Fred S. Schulte, corporate controller; George H. Coble, auditor.

Directors: Frank W. McBee, Jr.*, chairman; Marcel E. Gres, Wayne Rudmose, Jack D. Hughes, Edward Randall III, J.T. Trotter*, Conald L. Lucas, W.J. Buffo, Kenneth L. Block, Dewuse Guyton, Jr.*, John H. Duncan*, Jim A. Smith, Charles E. Walker.

*Member of the Executive Committee.

Divisions and Subsidiaries:

Components Group
800 East Northwest Highway
Des Plaines, Illinois 60016
(312) 824-1188

Production of fuses, fuseholders, circuit breakers, switches, relays, automobile buzzers and flashers, coils, capacitors, controls, anti-skid sensors, color convergence assemblies, indicating lights, potentionmeters, blue lateral and purity devices and other electronic and electromechanical components.

Littlefuse, Inc.
Des Planes, Illinois

Tracor Adams
Bangor, Michigan

Tractor Littlefuse, G.B., Ltd.
Durham, England

Trad Electronics
Morelos, Mexico

Tracor Littlefuse, S.A. de C.V.
Piedras Negras, Mexico

Instruments Group
2551 West Beltline Highway
Middleton, Wisconsin 53562
(608) 831-6511

Product lines include instrumentation classified generally as nuclear, data acquisition, analytical, time and frequency and navigation, and medical.

Austin Instruments Division
Austin, Texas

Tracor Europa, B.V.
Amsterdam, The Netherlands

Tracor Europa, B.V.
Paris, France

Tracor Northern
Middleton, Wisconsin

Tracor Westronics
Fort Worth, Texas

Tracor Analytic
Elk Grove Village, Illinois

Applied Sciences Group
6500 Tracor Lane
Austin, Texas 78721
(512) 926-2800

Involved in scientific research and development under sponsorship of government agencies and private clients. Its major fields of activity include submarine and surface ship sonar; underwater acoustical surveillance; ocean engineering research and ship support; collection and analysis of medical information related to cancer and occupational safety and health; communications; environmental, social, physical sciences; and safety.

Tracor Marine
Port Everglades, Florida

Analysis & Applied Research Division
Austin, Texas

Electronics Systems Division
Arlington, Virginia

Systems Technology Division
Rockville, Maryland

Tracor Jitco
Rockville, Maryland

Acquisition(s):

MB Associates (September 3, 1980)
P.O. Box 196
Bollinger Canyon Road
San Ramon, California 94583

Engage in the development and manufacture of countermeasure systems, signaling devices, industrial robots, advanced weapons systems, remote controlled vehicles and laser information systems.

Transfer Agent(s):

Mercantile National Bank of Dallas
Dallas, Texas

Stock Exchange(s): New York

Ticker Symbol: TRR

Number of Employees:

1980	7,500	1977	5,700
1979	7,000	1976	5,100
1978	6,800		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 295,147,000	$ 13,250,000
1979	243,340,000	9,875,000
1978	191,185,000	7,785,000
1977	156,073,000	6,076,000
1976	127,998,000	6,971,000

	No. of Com. Shares ×	Earn. per Share ‡ ×
1980	5,083,000	$2.62
1979	4,309,000	2.29
1978	4,239,000	1.84
1977	4,162,000	1.46
1976	4,098,000	1.70

‡ Including extraordinary gain of $2,194,000 ($0.53 per share) in 1976.

× Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

	1980	1979
Applied Sciences	$ 98,483	$ 75,898
Aerospace	62,340	44,402
Instruments	65,032	52,435
Components	69,292	70,605
Total	$ 295,147	$ 243,340

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	5-for-4
1979	—	—	
1978	—	—	5-for-4

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1980	$ 90,521,000	$17.81
1979	44,245,000	10.27
1978	34,505,000	8.14
1977	27,432,000	6.59
1976	21,369,000	5.21

‡ After allowing for preferred stock at involuntary liquidation value.

† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 295,147,000	$ 243,340,000
Cost of sales	213,738,000	176,670,000
Expenses	52,167,000	43,237,000
Interest expense	5,571,000	5,244,000
Income before taxes	$ 23,671,000	$ 18,189,000
Income taxes	10,421,000	8,314,000
Net Income	$ 13,250,000	$ 9,875,000

* Included in Costs and Expenses, Depreciation and Amortization: $6,515,000 in 1980 and $4,672,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 2,295,000	$ 1,531,000
Accts. receiv., net	62,198,000	50,933,000
* Inventories	45,950,000	39,544,000
Prepaid expenses	1,187,000	1,320,000

Current Assets	$ 111,630,000	$ 93,328,000
Investments & other assets	739,000	889,000
# Fixed assets	61,361,00	43,212,000
Defer. charges & intangibles	2,968,000	2,867,000
Total Assets	$ 176,698,000	$ 140,296,000

Liabilities

Long-term debt, curr.	$ 3,089,000	$ 2,956,000
Accts payable	15,797,000	12,698,000
Accruals	15,206,000	14,941,000
Income taxes	1,932,000	2,010,000
Curr. Liabilities	$ 36,024,000	$ 32,605,000
Long-term debt	44,782,000	37,938,000
Deferred inc. taxes	2,604,000	999,000
+ Preferred stock	111,000	180,000
+ + Common stock	1,844,000	1,071,000
Add. paid-in capital	53,483,000	20,572,000
Retained earnings	37,885,000	26,931,000
Treasury stock	(35,000)	—
Total Liabilities & Shareholders' Equity	$ 176,698,000	$ 140,296,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.
+ + $.33⅓ par value.

Statistical Summary

%Income bef. Taxes to Sales	8.02	7.47
%Net Income to Sales	4.49	4.06
%Net Income to Equity	14.20	20.25
Sales to Inventories	6.42	6.15
Working Capital	$ 75,606,000	$ 59,724,000
Current Ratio	3.10	2.78
Shareholders' Equity	$ 93,288,000	$ 48,754,000

Transducer Systems, Inc.

710 Davisville Road
Willow Grove, Pennsylvania 19090
(215) 567-0800

Officers: Burton F. Drill, president; Michael Nakonechny, chairman of the board & secretary; Thomas J. Carduff, exec. v.p. asst. treasurer & asst. secretary; John F. Maher, v.p.-finance & treasurer.

Directors: Burton F. Drill, Michael Nakonechny, John F. Maher, Louis Nagy, Thomas Carduff, Alfred Lifton.

Areas of Work: Designs, manufactures and markets a variety of transducers, which are electronically and electromechanically controlled. Also designs and manufactures complete systems and sub-systemas comprised of transducers associated with signal conditioning data.

Transfer Agent(s):

Provident National Bank
Broad & Chestnut Street
Philadelphia, Pennsylvania 19101

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	152	1977	63
1979	72	1976	54
1978	57		

Plant Footage:

1980	32,000 sq. ft.	1977	11,000
1979	22,000	1976	11,000
1978	22,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 4,818,825	$ 441,908
1979	3,845,721	323,978
1978	2,630,718	239,686
1977	1,780,272	194,840
1976	1,039,437	53,108

	No. of Com. Shares †	Earn per Share ‡ #
1980	827,106	$0.47
1979	700,878	0.36
1978	673,378	0.26
1977	630,878	0.21
1976	630,878	0.06

(Loss)
‡ Including extraordinary gains of $67,750 ($0.08 per share) in 1977, and $12,070 ($0.02 per share) in 1976.
† Adjusted to reflect stock split.
# Based on average number of shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	5-for-4

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 1,470,907	$1.78
1979	907,157	1.29
1978	624,658	0.93
1977	378,180	0.60
1976	183,340	0.29

† Adjusted to reflect stock split.

Income Account *

Year ended Dec.31	1980	1979
Net sales	$ 4,818,825	$ 3,845,721
Other income	15,348	2,954
Total Income	$ 4,834,173	$ 3,848,675
Cost of sales	2,726,246	2,194,958
Expenses	1,157,648	1,020,669
Interest expense	38,084	31,235
Loss on sale of fixed asset	6,650	—
Income before taxes	$ 905,545	$ 601,813
Income taxes	463,637	277,835
Net Income	$ 441,908	$ 323,978

* Included in Costs and Expenses, Depreciation and Amortization: $62,549 in 1980 and $40,614 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 22,157	$ 8,353
Accts. receiv., net	918,260	808,789
* Inventories	837,934	565,041
Prepaid expenses	18,568	21,224
Current Assets	$ 1,796,919	$ 1,403,407
# Fixed assets	527,700	231,921
Other assets	2,847	750
Intangibles	6,275	7,306
Total Assets	$ 2,333,741	$ 1,643,384

Liabilities

Notes payable	$ 120,000	$ 185,000
Long-term debt. curr.	25,280	18,880
Accts. payable	188,173	176,581
Accruals	253,445	124,707
Income taxes	180,710	120,703
Curr. Liabilities	$ 767,608	$ 625,871
Long-term debt	95,226	110,356
+ Common stock	82,711	57,320
Add. paid-in capital	1,039,887	957,079
Retained earnings (deficit)	348,309	(53,305)
Treasury stock	—	(53,937)
Total Liabilities & Shareholders' Equity	$ 2,333,741	$ 1,643,384

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	18.79	15.65
%Net Income to Sales	9.17	8.42
%Net Income to Equity	30.04	35.71
Sales to Inventories	5.75	6.81
Working Capital	$ 1,029,311	$ 777,536
Current Ratio	2.34	2.24
Shareholders' Equity	$ 1,470,907	$ 907,157

Transidyne General Corporation

3850 Research Park Drive
Ann Arbor, Michigan 48104
(313) 769-1900

Officers: Howard Diamond, president & treasurer; Jerry Champine, v.p.-operations; Margaret K. Beaudet, asst. treasurer & controller; Steven Enzer, v.p.-product development; Roberta A. Gilkey, v.p.-marketing; Julie Radzvickas, asst. secretary; Allen Zemmol, secretary.

Directors: Howard Diamond, chairman; Bernard Cooper, Allen Zemmol, Scott Neely, Henry J. Gomberg, Bruce A. Work, Jr.

Areas of Work: Manufactures and markets a line of clinical and electrophysiological products, including scanning densitometers, computing integrators, and RID calibrating viewers; microelectrodes, amplifiers and other signal conditioning electronic instrumentation, as well as display equipment for investigating physiological processes. Also engaged in the production of clinical and electrophysiological items for the O.E.M. business and the production of electronic sub-assemblies.

Transfer Agent(s):

Registrar & Transfer Company
34 Exchange Place
Jersey City, New Jersey 07302

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 2,683,894	$ (893,381)
1979	1,498,897	(245,524)
1978	1,478,279	(180,330)
1977	1,850,543	29,710
1976	2,000,464	180,580

	No. of Com. Shares +	Earn. per Share ‡ +
1980	1,386,806	$ —
1979	1,053,680	—
1978	1,038,470	—
1977	1,041,800	0.03
1976	1,036,700	0.17

(Loss)
‡ Including extraordinary credits of $7,000 ($0.01 per share) in 1977, $65,000 ($0.06 per share) in 1976.
+ Based on weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ (40,067)	$ —
1979	(21,160)	—
1978	200,864	0.19
1977	379,815	0.36
1976	350,105	0.34

(Deficiency)
‡ Based on weighted average number of shares outstanding.

Income Account *

Year ended Nov. 30	1980	1979
Net sales	$ 2,683,894	$ 1,498,897
Cost of sales	2,298,843	1,245,410
Product develop. cost	578,280	96,610
Expenses	635,375	532,737
Interest expense	64,777	40,364
Sale of license	—	(170,700)
Net Loss	$ (893,381)	$ (245,524)

* Included in Costs and Expenses, Depreciation and Amortization: $41,700 in 1980 and $32,932 in 1979.

Assets

As of Nov. 30	1980	1979
Cash	$ 113,638	$ 12,688
Accts. receiv., net	450,202	282,676
* Inventories	677,247	730,523
Prepaid expenses	43,193	17,836
Current Assets	$ 1,284,280	$ 1,043,723
# Fixed assets	193,820	102,321
Patents pending	36,757	12,493
Total Assets	$ 1,514,857	$ 1,158,537

Liabilities

Long-term debt, curr.	$ 51,825	$ 2,098
Accts. payable	813,042	577,722
Payroll taxes payable	9,546	142,194
Accruals	54,446	23,940
Accrued payroll	37,155	23,077
Misc. taxes	51,440	23,977
Cust. advances	20,770	75,000
Curr. Liabilities	$ 1,038,224	$ 868,008
Long-term debt	516,700	311,689
+ Common stock	138,681	105,451
Add. paid-in capital	1,696,630	855,386
Deficit	(1,875,378)	(981,997)
Total Liabilities & Shareholders' Equity	$ 1,514,857	$ 1,158,537

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

Sales to Inventories	3.96	2.05
Working Capital	$ 246,056	$ 175,715
Current Ratio	1.24	1.20
Shareholders' Equity (Deficiency)	$ (40,067)	$ (21,160)

Transmation, Inc.

977 Mt. Read Boulevard
Rochester, New York 14606
(716) 254-9000

Officers: William J. Berk, president; Arnold W. Wehrle, Philip P. Schulp, Anthony S. Graff, v.p.'s; James H. Yates, vice president; John A. Misiazek, secretary-treasurer; Lucille M. Milne, asst. secretary.

Directors: William J. Berk, Angelo J. Chiarella, Philip P. Schulp, Gerald R. Katz, Max Eisner, Roy Smart, T. Richard Olney, Samuel M. Borisoff, Robert S. Peterson.

Areas of Work: Engaged in the development and manufacture of electronic interface instruments and digital systems; produces products such as thermocouple dial alarms for monitoring plant warning temperatures, electronics integrator for accurate counting of proportional analog signals, shock proof field milliam-meters, integrated circuit transmitters, field signal indicators, calibration equipment.

Subsidiaries & Divisions:

Transmation (Canada) Inc.
Toronto, Ontario, Canada

Transcat
Rochester, New York

Transfer Agent(s):

The National City Bank of Cleveland
Cleveland, Ohio

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 6,182,261	$ 245,765
1979	4,904,784	252,269
1978	4,332,027	268,417
1977	3,664,065	304,074
1976	2,728,807	205,057

	No. of Com. Shares	Earn. per Share # ‡
1980	520,910	$0.46
1979	505,310	0.48
1978	505,010	0.51
1977	491,510	0.59
1976	491,510	0.41

# Based on average number of common shares and common share equivalents outstanding.
‡ Including extraordinary credits of $93,000 ($0.18 per share) in 1977 and $93,000 ($0.18 per share) in 1976.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,975,355	$3.79
1979	1,714,785	3.39
1978	1,462,336	2.90
1977	1,178,048	2.40
1976	873,974	1.78

Income Account *

Year ended March 31	1980	1979
Net sales	$ 6,182,261	$ 4,904,784
Cost of sales	2,671,956	2,269,386
Expenses	2,236,830	1,711,171
Research & devel.	707,746	460,144
Other income	(3,901)	(8,533)
Interest expense	76,815	31,947
Income before taxes	$ 492,815	$ 440,669
Income taxes	247,050	188,400
Net Income	$ 245,765	$ 252,269

* Included in Costs and Expenses, Depreciation: $74,442 in 1980 and $54,964 in 1979.

Assets

As of March 31	1980	1979
Cash	$ 50,482	$ 178,148
Accts. receiv. net	1,347,448	843,156
* Inventories	1,821,614	1,377,971
Prepaid expenses	91,486	53,323
Current Assets	$ 3,311,030	$ 2,452,598
# Fixed assets	645,690	211,050
Total Assets	$ 3,956,720	$ 2,663,648

Liabilities

Accts. payable	$ 503,541	$ 265,987
Accruals	543,461	385,290
Income taxes curr.	160,911	38,586
Curr. Liabilities	$ 1,207,913	$ 689,863
Long-term debt	746,319	250,000
Deferred income taxes	850	9,000
Deferred compensation	26,283	—
+ Common stock	260,455	252,655
Add. paid-in capital	1,287,943	1,280,938
Retained earnings	426,957	181,192
Total Liabilities & Shareholders' Equity	$ 3,956,720	$ 2,663,648

* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.97	8.98
%Net Income to Sales	3.98	5.14
%Net Income to Equity	12.44	14.71
Sales to Inventories	3.39	3.56
Working Capital	$ 2,103,117	$ 1,762,735
Current Ratio	2.74	3.56
Shareholders' Equity	$ 1,975,355	$ 1,714,785

Trion, Inc.

P.O. Box 760
McNeill Road
Sanford, North Carolina 27330
(919) 775-2201

Officers: Hugh E. Carr, president & chief executive officer; Norbert F. Eichelsbacher, v.p.-mfg. & secretary; Daniel H. Kassick, v.p.-marketing; William P. Glaser, v.p.-finance & treasurer; J. Gary Waters, controller.

Directors: Norbert F. Eichelsbacher, Hugh E. Carr, Thomas P. Johnson, Seddon Goode, Jr., Grant R. Meyers, Robert K. Wagner, James E. Heins.

Areas of Work: Engaged in the design, manufacture, and distribution of electrostatic precipitating equipment, primarily used in conjunction with central ventilating systems or as self-contained units to remove particulate matter from circulating air.

Transfer Agent(s):

First Union National Bank of North Carolina
Charlotte, North Carolina

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TRON (NASDAQ)

Plant Footage:

1980	100,000 sq.ft.	1976	91,000
1979	95,000	1976	59,000
1978	95,000		

Sales and Earnings

	Revenues	Net Income
1980	$ 9,214,535	$ 817,584
1979	8,732,238	829,826
1978	7,550,660	669,576
1977	5,878,215	545,284
1976	4,668,053	395,000

	No. of Com. Shares	Earn. per Share #
1980	527,226	$1.55
1979	519,969	1.60
1978	513,394	1.30
1977	405,872	1.07
1976	324,919	0.77

# Based on the average number of common shares outstanding adjusted to reflect stock dividend and stock splits.

Common Stock

	Cash Dividend #	Stock Dividend	Stock Split
1980	$0.24	—	—
1979	0.22	—	—
1978	0.18	—	5-for-4
1977	0.144	—	5-for-4
1976	0.104	10%	—

# Adjusted to reflect stock dividend and stock splits.

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$ 4,616,851	$8.75
1979	3,900,176	7.50
1978	3,167,425	6.17
1977	2,557,550	5.04
1976	2,091,484	4.13

‡ After allowing for preferred stock at a redemption value of $7 per share.

Income Account ~

Year ended Dec. 31	1980	1979
Net sales	$ 9,029,457	$ 8,631,514
Other income	185,078	100,724
Total income	$ 9,214,535	$ 8,732,238
Cost of sales	5,077,140	4,857,563
Expenses	2,613,811	2,313,849
Income before taxes	1,523,584	1,560,826
Income taxes	706,000	731,000
Net Income	$ 817,584	$ 829,826

~ Included in Costs and Expenses, Depreciation and Amortization: $121,341 in 1980 and $107,024 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 132,620	$ 223,859
Investments	600,000	250,000
Accts. receiv., net	2,481,569	1,821,143
* Inventories	2,215,733	1,967,985
Prepaid expenses	68,594	45,819
Current Assets	$ 5,498,516	$ 4,308,806
# Fixed assets	1,440,010	1,422,519
Other assets & defer. charges	—	142,093
Total Assets	$ 6,938,526	$ 5,873,418

Liabilities

	1980	1979
Notes payable	$ 144,457	$ —
Long-term debt, curr.	55,000	55,000
Accts. payable & accruals	804,785	668,869
Dividends payable	33,319	33,093
Income taxes	353,598	244,974
Deferred income taxes	1,800	70,700
Curr. Liabilities	$ 1,392,959	$ 1,072,636
Long-term debt	630,000	685,000
Deferred inc. taxes	204,300	109,500
+ Preferred stock	67,440	75,790
+ + Common stock	263,613	259,984
Add. paid-in capital	511,688	489,996
Retained earnings	3,868,526	3,180,512
Total Liabilities & Shareholders' Equity	$ 6,938,526	$ 5,873,418

* At lower of cost (FIFO or LIFO) or market.
# Less accumulated depreciation and amortization.
+ $5 par value; 5% cumulative.
+ + $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	16.87	18.08
%Net Income to Sales	9.05	9.61
%Net Income to Equity	17.35	20.71
Sales to Inventories	4.08	4.39
Working Capital	$ 4,105,557	$ 3,236,170
Current Ratio	3.95	4.02
Shareholders' Equity	$ 4,711,267	$ 4,006,282

TRW Inc.

23555 Euclid Avenue
Cleveland, Ohio 44117
(216) 383-2121

Officers: Ruben F. Mettler, chairman of the board & chief exec. officer; J. Sidney Webb, vice chairman of the board; Stanley C. Pace, president & chief operating officer; Charles R. Allen, exec. v.p. & chief financial officer; Richard D. DeLauer, exec. v.p.-systems & energy; A. William Reynolds, exec. v.p.-industrial & replacement; Richard A. Campbell, exec. v.p.-electronics; Joseph T. Gorman, exec.v.p.-TRW Industrial & Energy; Lloyd N. Hand, sr. v.p. & asst. to chairman; Thomas J. Fay, v.p.-communications; Robert D. Lundy, v.p.-corp. public relations & adv.; Michael P. Arndt, v.p.-financial control; Albert J. Coakley, Jr., v.p.-law; Edmund J. Keane, v.p.; Theodore H. Maima, v.p.-advanced technology; Melvin A. Shader, v.p.-planning & development; Thomas A. Wickes, v.p.-human relations; Richard D. DeLauer, exec. v.p.-TRW Systems & Energy; Michael Monroney, v.p.-government relations & adv.; Chris G. Petrow, v.p.-TRW Europe Inc.; Andrew J. Kelley, v.p. & asst. chief financial officer; Frank H. Kettle, v.p. & controller; Robert B. Perkovic, v.p. & treasurer; Edward N. Button, v.p.-investments; Howard V. Knicely, v.p.-human relations; Bob B. Hauserman, v.p.-personnel programs; Ray N. Olsen, director-compensation & benefits; Donald G. Revelle, v.p.-human resources; Martin A. Coyle, v.p., general counsel & secretary; Kenneth G. Preston, v.p. & asst. general counsel; George A. Harris, v.p.-materiel; John S. Foster,Jr., v.p.-science & technology; group executives, v.p.'s & gen. mgrs.; Richard D. DeLauer, acting, energy systems; George E. Solomon-defense & space systems; Ralph M. Lehman-steering components; Robert M. Lynas-chassis components; A. William Reynolds, exec. v.p.-TRW Automotive Worldwide; Charles L. Miller-engine components; Joseph A. Poremba-general components; George A. Poe-aftermarket operations; Edward J. Brennan-information services; Earl F. Myerholtz, industrial products group; Samuel C. Phillips-energy products; Robert L. Ashley-communications; Karl E. Heller-electronic components divs.; George A. Harter-equipment.

Directors: John A. Alexander, Charles R. Allen, Richard D. DeLauer, Ruben F. Mettler, Stanley C. Pace, Jack S. Parker, Simon Ramo, A. William Reynolds, Horace A. Shepard, J. Sidney Webb, Gerald B. Zornow, H. Guyford Stever, Alastair F. Down, Charles E. Spahr, W.H. Krome George.

Areas of Work: Car & Truck: A broad range of chassis, engine and other components for passenger cars, trucks, farm machinery and off-highway vehicles, sold worldwide for use both by original equipment manufacturers and by distributors and mass merchandisers for resale in the replacement parts market, including manual and power steering gears, pumps, hydraulic motors, suspension components, piston rings, valves, ignition systems parts, passenger restraint systems, and a service line of car and truck accessories and care products.

Electronics & Space Systems: Electronic components: including capacitors, connectors, motors, printed circuit boards, resistors, semiconductors and transformers, sold for government and commercial use in the telecommunications, computers, automotive, and home entertainment industries; Electronic systems, equipment and services; including communications equipment for defense and space applications and related research and analysis, transmission equipment for the telephone industry, authorization systems and one-line transaction and point-of-sale terminals and systems and other equipment for retail, bank, and other use, and related maintenance and support services; Computer-based & analytical services; including software systems and analytical services for space and defense, and consumer and business credit information; Spacecraft: including the design and manufacture of spacecraft and their subsystems for defense, scientific research and communications.

Industrial & Energy: Fasteners, tools & bearings, including metal and plastic fasteners, ball and roller bearings, expendable cutting tools, hand tools and tap stand dies, sold to a variety of industrial and energy-related users; pumps, valves & energy services: including submergible electric pumping systems, power cables, valves, pumps and pump parts and electronic equipment sold for use in oil and gas exploration, production and pipeline transmission and other industrial purposes, components for nuclear reactors and gas and steam turbines, and planning and management support services and research and development provided to both government and commercial users; Aircraft components: including turbine and compressor airfoils and fuel and booster pumps, for commercial and military aircraft.

Divisions and Subsidiaries:

TRW Electronic Components Group
Suite 1700, 10880 Wilshire Boulevard
Los Angeles, California 90024
(213) 475-6777

TRW Cinch-Graphik Division
200 South Turnbull Canyon Road
City of Industry, California 91749
(213) 333-1201

Products: Etched circuit boards, single, double-sided and multilayer circuits available with various hardware and heat sinks.

TRW LSI Products Division
2525 East El Segundo Blvd.
El Segundo, California 90245
(213) 535-1831

Products: A/D converters, D/A converters, multiplier-accumulators, shift registers and correlators.

TRW Optron
1201 Tappan Circle
Carrollton, Texas 75006
(214) 242-6571

Products: Light-emitting diodes, photo sensors, opto-couplers and assemblies.

TRW Semiconductor Division
14520 Aviation Boulevard
Lawndale, California 90260
(213) 679-4561

Products: Power switching transistors, power amplifiers and darlingtons, double slug, avalanche, varactor, Schottky, and zener diodes, power hybrids, various microelectronic circuits. RF and power transistors, linear amplifiers, and microwave integrated circuits.

TRW Connective Components
1501 Morse Avenue
Elk Grove Village,Illinois 60007
(312) 981-6010

TRW Cinch Connector Division
501 Morse Avenue
Elk Grove Village, Illinois 60007
(312) 981-6000

Products: Connectors, interconnection systems, IC sockets, relay sockets, and tube sockets, terminal strips, barrier blocks,and crimp terminals.

TRW Cinch-Monadnock Division
18301 East Arenth Avenue
City of Industry, California 91749
(213) 964-6581

Products: Fasteners and electronic hardware.

TRW Electro Magnetic Components
2275 Stanley Avenue
Dayton, Ohio 45404
(513) 228-3171

TRW Capacitor Division
301 West O Street
Ogallala, Nebraska 69153
(308) 284-3611

Products: Film, metalized film, and tantalum capacitors, molded diodes, rectifiers,and power transistors. Ceramic capacitors, film capacitors, voltage multipliers.

TRW Globe Motor Division
2275 Stanley Avenue
Dayton, Ohio 45404
(513) 228-3171

Products: DC permanent magnet and wound-field hysteresis and induction type motors and other motorized devices, including actuators, pumps blowers and integral gear trains.

TRW Inductive Products Division
661 Glenn Avenue
Wheeling, Illinois 60090
(312) 541-0300

Products: Assemblies (AFC-pin cushion circuit, convergence circuit), coils (bobbin, color punty-convergence, IF or IFT, peaking, RF chokes, shielded IF, variable, insert molded), transformers (IF, RF, pin cushion correctors); yokes (color convergence).

TRW Resistive Products Division
401 North Broad Street
Philadelphia, Pennsylvania 19108
(215) 922-8900

Products: Resistors (carbon, metal film, wirewound, fire-proof, flameproof); variable resistors (carbon and wirewound rotary controls carbon, slide controls, carbon and wirewound trimmers, rotary selector switches); and connectors (barriers, connectors, plugs and sockets).

TRW Marketing
Suite 1700, 10880 Wilshire Boulevard
Los Angeles, California 90024
(213) 475-6777

TRW Communications Group
10880 Wilshire Boulevard
Los Angeles, California 90024
(213) 475-6777

Data Systems Division
270 Yorkland Boulevard
Willowdale, Ontario, Canada M2J 1R8
(416) 491-9606

Distributor of data communications systems and equipment.

TRW Communications Systems & Services Division
9841 Airport Boulevard, Suite 620
Los Angeles, California 90024
(213) 475-6777

Communications systems, including special purpose and point-of-sale terminals and systems, controllers, concentrators, interface devices, peripherals and central processing units.

TRW Customer Service Division
70 New Dutch Lane
Fairfield, New Jersey 07006
(201) 575-7110

Maintenance service for electronic equipment.

TRW Datacom International Inc.
10880 Wilshire Boulevard, Suite 1812
Los Angeles, California 90024
(213) 475-9861

Worldwide sales of data processing and communications equipment.

TRW Vidar Division
77 Ortega Avenue
Mountain View, California 94040
(415) 961-1000

Transmission systems for voice and data applications. Switching systems for telephone accounting management and control; digital switching systems for local and toll telephone switching offices.

TRW Information Services
P.O. Box 1420
Long Beach, California 90801

TRW Credit Data
505 City Parkway West
Orange, California 92668
(714) 937-2000

Consumer credit reporting services.

TRW Business Credit Services
P.O. Box 5300
Suite 920, One City Blvd.
Orange, California 92667
(213) 714-2702

Nationwide business credit information in conjunction with the National Association of Credit Management (NACM).

TRW Systems & Energy:

TRW Defense & Space Systems Group
One Space Park
Redondo Beach, California 90278
(213) 535-4321

TRW Applied Technology Division
One Space Park
Redondo Beach, California 90278
(213) 535-4321

Research in the physical life sciences; development of laser subsystems, space instruments and experiments, propulsion and energy conversion systems and subsystems; and R&D in applications of chemistry and chemical engineering. Also provides engineering support in other specialized areas and a central research capability through the Systems Research Staff.

TRW Electronic Systems Division
One Space Park
Redondo Beach, California 90278
(213) 535-4321

Space and communications systems, digital signal processing equipment, and microelectronic components.

TRW Colorado Electronics, Inc.
3650 North Nevada Avenue
Colorado Springs, Colorado 80907
(303) 475-0660

Encoders, decoders, signal processors, receivers, transmitters and ac/dc converters for commercial and military applications. Communications systems, spacecraft, spacecraft receivers and transponders.

Aertech Industries
825 Stewart Drive
Sunnyvale, California 94086
(408) 732-0880

Solid state microwave components for military and commercial communications and avionics.

TRW Space Systems Division
One Space Park
Redondo Beach, California 90278
(213) 535-4321

Spacecraft design fabrication, integration, test and launch activities. Systems engineering of communication and scientific spacecraft systems including ground stations.

ESL Incorporated
495 Java Drive
Sunnyvale, Caifornia 94086
(408) 734-2244

Design and development of data systems for communications and defense applications.

TRW Ballistic Missiles Division
P.O. Box 1310
San Bernardino, California 92402
(213) 535-4321

Minuteman and MX Programs.

TRW Manufacturing Division
One Space Park
Redondo Beach, California 90278
(213) 535-4321

Manufacturing activities for Defense & Space Systems Group.

TRW Systems Engineering & Integration Division
One Space Park
Redondo Beach, California 90278
(213) 535-4321

Systems Engineering for space and data processing fields.

Energy Systems Group
One Space Park
Redondo Beach, California 90278
(213) 535-1335

Energy Sytems Management Division
One Space Park
Redondo Park, California 90278
(213) 536-3725

Research, development, demonstration and marketing of energy systems for coal combustion and gasification, conservation and electrical load management, and environmental control. Development and management of uranium isotope enrichment systems.

Energy Systems Planning Division
7600 Colshire Drive
McLean, Virginia 22101
(703) 893-2000

Energy systems planning and analysis, engineering and program management services, energy policy analysis.

Environmental Enginering Division
One Space Park
Redondo Beach, California 90278
(213) 536-2146

Environmental sampling and analysis, pollution control technology and applications, consulting and legislative interpretation.

TRW Controls Corporation
5610 Parkersburg
Houston, Texas 77036
(713) 782-5432

Design and implementation of computer based real time control systems for geographically distributed operations.

TRW Subsea Petroleum Systems Inc.
9800 Town Park Drive
Houston, Texas 77036
(713) 772-9311

A complete line of computer based hydraulic and electro-hydraulic control systems.

Civiltech Corporation
One Space Park
Redondo Beach, California 90278
(213) 536-3525

Research, development and manufacturing of pollution abatement equipment and oil combustion burners for industrial, commercial and utility applications.

TRW Equipment Group
23555 Euclid Avenue
Cleveland, Ohio 44117
(216) 383-2121

Compressor Components
23555 Euclid Avenue
Cleveland, Ohio 44117
(216) 383-2121

Forging and machining jet engine compressor components, steam turbine blading and heavy-duty gas turbine blading.

Turbine Components
23555 Euclid Avenue
Cleveland, Ohio 44117
(216) 383-3474

Forging and machining turbine blades and vanes for aircraft engines, stationary gas and steam turbine engines, industrial power and marine engines. Refurbishment of aircraft and land based turbine engine components. Precision investment castings for use in aircraft engines and airframes, gas and steam turbines, industrial, marine and vehicular turbines, and high performance super-alloys for operation in corrosive or extreme temperature enviornments. Ceramic materials and preformed ceramic cores for investment casting industry; quartz crucibles and quartz rods and tubes. New investment casting process development.

TRW Power Accessories
23555 Euclid Avenue
Cleveland, Ohio 44117
(216) 383-3237

Design, development, manufacture, assembly and test of aircraft and engine fuel-pumps, accessories, underwater propulsion systems, control rod drive mechanisms and structural components for nuclear reactors.

TRW Materials Technology
23555 Euclid Avenue
Cleveland, Ohio 44117
(216) 383-3147

Research, development and engineering in materials, products and processes. Metallurgical and chemical services.

TRW Manufacturing Technology
23555 Euclid Avenue
Cleveland, Ohio 44117
(216) 383-2424

Precision hole drilling, radiusing and deburring, fabrication of electrodes and design and construction of electrochemical machinery (ECM) drilling equipment. Design, develop, build or adapt advanced manufacturing concepts and equipment.

TRW Industrial & Replacement:

Energy Products Group
9841 Airport Boulevard
Los Angeles, California 90045
(213) 535-2212

Mission Manufacturing Company
P.O. Box 40402
Houston, Texas 77040
(713) 460-6200

Provides products and services for the oil/gas exploration and production market.

Reda Pump Co.
P.O. Box 1181
Bartlesville, Oklahoma 74003
(918) 661-2000

A complete line of submergible electrically driven, multistage centrifugal pumps.

TRW Lawrence Cable Division
P.O. Box 945
Lawrence, Kansas 66044
(913) 841-5610

Electronic cable for powering electric submergible oil well pumps.

United-Carr Divisions
31 Burlington Mall Road
Burlington, Massachusetts 01803
(617) 273-0770

TRW Carr Division
31 Ames Street
Cambridge, Massachusetts 02142
(617) 494-5500

Metal and plastic fasteners, electromechanical assembles, and DOT clothing fasteners.

TRW Nelson Division
28th Street and Toledo Avenue
Lorain, Ohio 44055
(216) 245-6931

Standard and automatic stud welding systems and related stud fasteners.

TRW Palnut Division
Glen Road
Mountainside, New Jersey 07092
(201) 233-3300

Palnut lock nuts, self-sealing nuts, multi-thread nuts, and self-threading nuts; Pushnut fasteners and special fasteners.

United-Carr Division of TRW Canada Limited
455 Arvin Avenue
Stoney Creek, Ontario, Canada L8G 4A2
(416) 664-4401

Relays, timing devices, electromechanical assemblies, combination locks, deep draw metal parts and stampings.

Acquisition(s):

Electron Products
Monrovia, California

Manufactures wound, film, and paper capacitors.

Transfer Agent(s):

TRW Inc.
Cleveland, Ohio

Morgan Guaranty Trust Company of New York
New York, New York

Stock Exchange(s): New York, Midwest, Pacific, Phila-Balt-Wash., The Stock Exchange of Great Britain and Ireland, Frankfurt.

Ticker Symbol: TRW

Number of Employees:

1980	94,051	1977	87,152
1979	97,935	1976	87,625
1978	93,353		

Plant Footage:

1980	30,689,357 sq.ft.	1977	30,000,000
1979	30,689,357	1976	29,500,000
1978	30,100,000		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 4,983,970	$ 211,890
1979	4,560,303	194,642
1978	3,787,248	174,243
1977	3,263,943	154,217
1976	2,929,014	132,169

	No. of Com. Shares	Earn. per Share #
1980	32,010,000	$6.39
1979	29,612,000	6.07
1978	28,555,000	5.42
1977	28,180,000	4.77
1976	27,628,000	4.02

# Based on weighted average number of common shares and common stock equivalents.

Revenues By Line of Business

	1980 (000's)	1979 (000's)
Car & truck:		
Orig. equip.	$ 1,291,000	$ 1,367,000
Replacement equip.	461,000	432,000
Electronics & space systems:		
Electronic components	419,000	363,000
Computer-based & analytical serv.	377,000	284,000
Electronic systems, equip. & serv.	648,000	552,000
Spacecraft	355,000	302,000
Industrial and energy:		
Fasteners, tools & bearings	562,000	558,000
Pumps, valves & energy serv.	436,000	380,000
Aircraft components	435,000	322,000
Total	$ 4,984,000	$ 4,560,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.15	—	—
1979	1.95	—	—
1978	1.75	—	—
1977	1.55	—	—
1976	1.35	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$1,158,108,000)†	$36.18
1979	927,954,000†	31.35
1978	758,773,000‡†	26.80
1977	650,243,000‡†	23.06
1976	545,114,000‡†	19.72

‡ After allowing for 4% cumulative preferred stock at a redemption value of $107 per share and serial preference stock at an involuntary liquidation price of $100 per share.

† After allowing for serial prefrence Stock II at aggregate involuntary liquidation price.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 4,983,970	$ 4,560,303
Other income	42,570	45,355
Total income	$ 5,026,540	$ 4,605,658
Cost of sales	3,720,019	3,406,974
Expenses	844,506	751,879
Interest expense	66,551	52,280
Other expenses	26,067	33,486
Income before taxes	$ 369,397	$ 361,039
Income taxes	157,507	166,397
Net Income	$ 211,890	$ 194,642

* Included in Costs and Expenses, Depreciation: $129,272,000 in 1980 and $111,601,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 22,040	$ 63,500
Marketable securities	18,612	10,429
Accts. receiv., net	761,020	689,192
* Inventories	734,623	739,891
Prepaid expenses	27,874	25,413
Deferred income taxes	41,104	72,944
Current assets	$ 1,605,273	$ 1,601,369
# Fixed assets	904,079	760,198
Other assets	165,694	148,280
Intangibles	179,653	182,953
Total Assets	$ 2,854,699	$ 2,692,800

Liabilities
(000's)

Notes payable	$ 105,956	$ 59,063
Long-term debt, curr.	28,098	20,910
Accts. payable	232,930	223,717
Accruals	423,499	467,376
Income taxes	31,396	48,369
Curr. Liabilities	$ 821,879	$ 819,435
Long-term debt	386,360	429,943
Minority interest	10,974	11,075
Deferred inc. taxes	348,378	279,393
Preferred Stock:		
+ Serial preference II	6,431	9,425
+ + Common stock	40,012	37,015
Add. paid-in capital	141,550	138,483
Retained earnings	1,099,115	968,031
Total Liabilities & Shareholders' Equity	$ 2,854,699	$ 2,692,800

* At lower of cost (34% at LIFO; remainder at FIFO) or market.

# Less accumulated depreciation.

+ $2.75 stated value.

+ + $1.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.41	7.92
%Net Income to Sales	4.25	4.27
%Net Income to Equity	16.46	16.88
Sales to Inventories	6.78	6.16
Working Capital	$ 783,394,000	$ 781,934,000
Current Ratio	1.95	1.95
Shareholders' Equity	$1,287,108,000	$1,152,954,000

Tyco Laboratories, Inc.

Tyco Park
Exeter, New Hampshire 03833
(603) 778-7331

Officers: Joseph S. Gaziano, chairman of the board, president & chief exec. officer; Raymond L. Bisplinghoff, v.p.-research & development; Howard A. Hull, v.p.-finance; Irving Geller, v.p.-corp. communications; Morris J. Busacco, Russell L. Epker, John F. Fort, v.p.'s; Joshua M. Berman, secretary; Edward W. Johnson, v.p. & treasurer; William E. Boyland, v.p., clerk & gen. counsel.

Directors: Joshua M. Berman, James K. Campbell, Morris J. Busacco, Joseph S. Gaziano, Raymond L. Bisplinghoff, Robert J. Buckley, James H. Goss, W. C. Westmoreland.

Areas of Work: Manufactures fire protection systems, precision printed circuit boards in one-sided, two-sided and multilayer configurations for computers and telecommunications; underwater communications and power cable; vacuum metalized plastic films; polyethylene film and plastic products; deep-drawn metal parts for writing instruments.

Divisions and Subsidiaries:

Fire Protection & Safety

Grinnell Fire Protection Systems Co., Inc.
10 Dorrance Street
Providence, Rhode Island 02903
(401) 456-5600

Electronic & Electrical Components Group

Atlantic Coast Electronics Division
2681 Northeast 4th Avenue
Pompano Beach, Florida 33064
(305) 943-7300

Saphikon Division
51 Powers Street
Milford, New Hampshire
(603) 673-5831

North American Printed Circuit Division
Old Monson Road
P.O. Box 145
Stafford, Connecticut 06075
(203) 684-2703

Simplex Wire and Cable Division
Portsmouth, New Hampshire
(603) 436-6100

Consumer Materials & Electronic Products

Tyco Coating Products Division, Inc.
326 South Street
New Britain, Connecticut
(203) 225-3581

also at:

580 Sylvan Avenue
Englewood Cliffs, New Jersey 07632
(201) 567-1900

Accurate Forming Division
Walkill Road
P.O. Box 278
Hamburg, New Jersey 07419
(201) 827-7155

Clark Metal Products Division
75 King Highway Cutoff
Fairfield, Connecticut 06430
(203) 333-5171

Mobil Tyco Solar Energy Corporation (20% interest)
Waltham, Massachusetts

Japan Solar Energy Co., Ltd. (7½% interest)
Kyoto, Japan

Muirhead Limited (14% interest)
United Kingdom

Transfer Agent(s):

Mellon Bank
Mellon Square
Pittsburgh, Pennsylvania

Stock Exchange(s): New York

Ticker Symbol: TYC

Number of Employees:

1980	5,170	1977	3,675
1979	4,285	1976	3,560
1978	3,745		

Plant Footage:

1980	1,965,000 sq.ft.	1978	1,570,000
1979	1,570,000	1977	1,570,000

Sales and Earnings

	Net Sales	Net Income
1980	$ 320,268,000	$ 22,583,000
1979	216,285,000	17,799,000
1978	165,940,000	12,179,000
1977	163,843,000	6,291,000
1976	92,157,000	4,352,000

	No. of Com. Shares	Earn. per Share #
1980	3,755,173	$6.82
1979	3,280,744	5.68
1978	3,093,969	3.92
1977	3,057,511	2.04
1976	2,995,886	1.44

# Based on weighted average number of shares outstanding.

Revenues By Line of Business

	1980	1979
Fire protection & safety	$ 179,123,000	$ 138,679,000
Electronics & electrical	77,200,000	53,567,000
Consumer materials & electronic products	63,945,000	24,039,000
Total	$ 320,268,000	$ 216,285,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.00	—	—
1979	0.85	—	—
1978	0.40	—	—
1977	0.30	—	—
1976	0.30	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 87,382,000	$23.27
1979	59,019,000	17.99
1978	44,847,000	14.49
1977	31,567,000	10.32
1976	25,905,000	8.65

Income Account *

Year ended May 31	1980	1979
Net sales	$ 320,268,000	$ 216,285,000
Other income	9,421,000	19,649,000
Total income	$ 329,489,000	$ 235,934,000
Cost of sales	236,136,000	162,489,000
Expenses	48,486,000	34,736,000
Interest expense	4,775,000	5,347,000
Income before taxes	$ 40,092,000	$ 33,362,000
Income taxes	17,509,000	15,563,000
Net Income	$ 22,583,000	$ 17,799,000

* Included in Costs and Expenses, Depreciation and Amortization: $4,986,000 in 1980 and $3,188,000 in 1979.

Assets

As of May 31	1980	1979
Cash	$ 10,390,000	$ 18,123,000
Marketable securities	40,180,000	73,375,000
Receiv., net	54,838,000	41,108,000
Contracts in process	15,182,000	8,277,000
* Inventories	34,300,000	21,893,000
Prepaid expenses	821,000	529,000
Current Assets	$ 155,711,000	$ 163,305,000
Investments	16,374,000	5,737,000
# Fixed assets	45,082,000	22,297,000
Other assets & defer. charges	5,818,000	2,546,000
Total Assets	$ 222,985,000	$ 193,885,000

Liabilities

Loans payable	$ 1,638,000	$ 1,990,000
Accts. payable	21,413,000	12,847,000
Accruals	20,567,000	15,221,000
Contracts in process	6,511,000	4,991,000
Income taxes	4,058,000	14,250,000
Deferred income taxes	3,937,000	2,404,000
Dividend pay.	939,000	820,000
Other liab.	16,684,000	13,958,000
Curr. Liabilities	$ 75,747,000	$ 66,481,000
Long-term debt:		
5% conv. deben.	21,036,000	20,678,000
8½% conv. deben.	16,566,000	25,000,000
5⅞% conv. deben.	6,301,000	6,566,000
Deferred earn-out liability	7,617,000	10,871,000
Industrial rev. bonds	4,169,000	2,670,000
Other	260,000	289,000
Deferred inc. taxes	2,977,000	2,028,000
Tax benefit	930,000	283,000
+ Common stock	3,903,000	3,429,000
Add. paid-in capital	23,262,000	13,792,000
Retained earnings	65,951,000	46,882,000
Treasury stock	(876,000)	(876,000)
Unrealized loss	(2,392,000)	(1,327,000)
Deferred comp.	(2,466,000)	(2,881,000)
Total Liabilities & Shareholders' Equity	$ 222,985,000	$ 193,885,000

* At lower of cost (FIFO or LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.52	15.43
%Net Income to Sales	7.05	8.23
%Net Income to Equity	25.84	30.16
Sales to Inventories	9.34	9.88
Working Capital	$ 79,964,000	$ 96,824,000
Current Ratio	2.06	2.46
Shareholders' Equity	$ 87,382,000	$ 59,019,000

UMC Electronics, Co.

460 Sackett Point Road
North Haven, Connecticut 06473
(203) 288-7731

Officers: James C. Leu, president and treasurer; Victor A. Stancliff, chairman of the board; Ogden W. Sutro, chairman of the executive committee; Edward G. McHugh, senior vice president; Philip W. Lohman, v.p.-marketing; Joseph A. DiSesa, secretary; Rocco V. Mariano, vice president-engineering; Edmund L. Bellin, asst. secretary.

Directors: Victor A. Stancliff, chairman; Ogden W. Sutro, Joseph DiSesa, Chester A. Barrett, James P. Rybeck, James C. Leu, P.W. Lohman.

Areas of Work: Engaged in the manufacture, assembly, and distribution of electrical and hydraulic aircraft and vehicular testing equipment, hysteresis synchronous and torque motors, and cartridge tape equipment.

Divisions:

United Manufacturing Division
Broadcast Products Division
460 Sackett Point Road
North Haven, Connecticut 06473
(203) 288-7731

Transfer Agent(s):

Union Trust Co.
300 Main Street
Stamford, Connecticut 06904

Stock Exchange(s): Over-the-Counter

Ticker Symbol: UMCE (NASDAQ)

Number of Employees:

1980	115	1977	60
1979	68	1976	37
1978	55		

Plant Footage:

1980	51,000 sq.ft.	1977	40,000
1979	40,000	1976	40,000
1978	40,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 6,725,700	$ 244,899
1979	2,611,774	34,969
1978	3,002,634	95,212
1977	2,525,559	127,100
1976	2,894,865	164,892

	No. of Com. Shares +	Earn. per Share +
1980	733,813	$0.33
1979	618,813	0.06
1978	618,813	0.15
1977	620,723	0.20
1976	624,414	0.26

+ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1980	1979
Aircraft testing equip.	$ 4,278,638	$ 1,481,873
Broadcast prods.	2,409,154	1,040,740
General corp. & other	37,908	89,161
Total	$ 6,725,700	$ 2,611,774

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	15%	—
1979	—	10%	—
1978	—	—	—
1977	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 1,567,298	$2.14
1979	1,366,428	2.21
1978	1,182,882	1.91
1977	1,117,021	1.80
1976	1,033,221	1.65

† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 6,725,700	$ 2,611,774
Cost of sales	4,534,799	1,567,928
Expenses	1,830,250	1,027,172
Other income	(25,011)	(13,634)
Income before taxes	$ 385,662	$ 30,308
Income taxes (credit)	140,763	(4,661)
Net Income	$ 244,899	$ 34,969

* Included in Costs and Expenses, Depreciation and Amortization: $88,408 in 1980 and $51,193 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 141,144	$ 133,403
Accts. receiv., net	958,254	723,495
Recov. inc. taxes	—	8,969
Advances receiv.	15,903	45,038
* Inventories	1,557,856	1,188,757
Prepaid expenses	23,646	7,323
Current Assets	$ 2,696,803	$ 2,106,985
# Fixed assets	645,644	137,392
Goodwill	24,531	—
Other assets	17,509	1,240
Intangibles	9,287	31,707
Total Assets	$ 3,393,774	$ 2,277,324

Liabilities

Notes payable	$ 232,000	$ —
Long-term debt, curr.	152,500	—
Accts. payable	573,262	428,516
Deferred taxes	51,451	—
Advance on contracts	31,375	308,254
Accruals	320,888	174,126
Curr. liabilities	$ 1,361,476	$ 910,896
Long-term liabilities	465,000	—
+ Common stock	733,813	638,098
Add. paid-in capital	582,092	318,876
Retained earnings	251,393	409,454
Total Liabilities & Shareholders' Equity	$ 3,393,774	$ 2,277,324

* At cost (FIFO or standard) or market, whichever is lower.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.73	—
%Net Income to Sales	3.64	1.34
%Net Income to Equity	15.63	2.56
Sales to Inventories	4.32	2.20
Working Capital	$ 1,335,327	$ 1,196,089
Current Ratio	1.98	2.31
Shareholders' Equity	$ 1,567,298	$ 1,366,428

UMC Industries, Inc.

High Ridge Park
Stamford, Connecticut 06904
(203) 329-6000

Officers: H. Ridgely Bullock, chairman of the board, chief executive officer & president; Benton H. Brothers, exec. v.p.; Peter J. West, sr. v.p.-operations; Willard R. Powell, sr. v.p. & treasurer: Thomas C. Fish, v.p.-corp. development; Joseph R. Spector. v.p., general counsel & secretary; R. Bruce Wynne, Jr., v.p.-personnel; John B. McLemore, v.p. & controller; Wallace G. Henderson, v.p.-internal audit; Joseph A. Ucci, v.p.-accounting & taxes; Kenneth C. Hanrahan, dir.-computer services; Thomas J. Ungerland, assoc. general counsel.

Directors: Clarence C. Barksdale*, H. Ridgely Bullock*, John Hawkinson, William M. Weaver, Benton H. Brothers, Jess Nicks, Dudley S. Taft, Serge Varangot, William L. Wearly, Pieter Link.

*Member of Executive Committee.

Areas of Work: Food, beverage and commodity vending machines, refrigerated display merchandisers, coin, currency and scrip handling equipment; precision indexing and transfer systems, custom cams and drilling equipment, speed reducers, ordnance systems, marine personnel elevators and handling systems.

Divisions and Subsidiaries:

Merchandising Equipment Group

National Vendors Division
5055 Natural Bridge
St. Louis, Missouri 63115
(314) 383-3000

UMC Industries, Ltd.
Dock Road

Lytham, Lancashire, England

Universal Nolin
Robins Street & Highway 65, South
Box 909
Conway, Arkansas 72032
(501) 327-7741

National Rejectors Industries
P.O. Box 1550
Hot Springs, Arkansas 71901
(501) 767-2313

National Rejectors, Inc. G.m.b.H.
2150 Buxtehude
Zum Fruchthof 6
West Germany

Industrial Equipment Group

Ferguson Machine Company
11820 Lackland Road
St. Louis, Missouri 63141
(314) 567-3200

Ferguson Machine Company, S.A.
33 Parc Industriel
1430 Braine-Le-Chateau
Belgium

High Performance Machines, Inc.
754 W. Maple Road
Troy, Michigan 48084
(313) 362-1500

Winsmith
172 Eaton Street
Springville, New York 14141
(716) 592-9311

Unidynamics/Phoenix, Inc.
P.O. Box 2990
Phoenix, Arizona 85062
(602) 935-8011

Unidynamics/St. Louis, Inc.
472 Paul Avenue
Ferguson, Missouri 63135
(314) 522-6700

Zallea Brothers, Inc.
Taylor & Locust Streets
Wilmington, Delaware 19899
(302) 654-2407

Engineered Plastics Group

Cor Tee, Inc.
P.O. Box 456
Washington Court House, Ohio 63160
(614) 335-9400

55 LaFrance Avenue
Bloomfield, New Jersey 07003
(201) 748-5500

Gentape Corporation
55 LaFrance Avenue
Bloomfield, New Jersey 07003
(201) 748-5506

Resistoflex Corporation
Woodland Road
Roseland, New Jersey 07068
(201) 226-7700

Polyflon Corporation
35 River Steet
New Rochelle, New York 10801
(914) 636-7222

Kemlite Corporation
P.O. Box 429
Joliet, Illinois 60434
(815) 725-1112

High Ridge Exploration Corp.
Stamford, Connecticut
Operations include exploration for hydro-carbon deposits in states adjacent to the Gulf of Mexico.

Transfer Agent(s):

Chemical Bank
55 Water Street
New York, New York 10041

St. Louis Union Trust Company
510 Locust Street
St. Louis, Missouri 63101

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: UMT

Number of Employees:

1980	6,425	1977	6,000
1979	7,500	1976	6,000
1978	6,000		

Plant Footage:

1980	3,408,000 sq.ft.	1977	3,000,000
1979	3,408,000	1976	3,000,000
1978	3,000,000		

Sales and Earnings

	Net Sales +	Net Income
1980	$ 318,280,000	$ 10,976,000
1979	318,381,000	13,608,000
1978	255,896,000	13,074,000
1977	199,810,000	11,745,000
1976	168,186,000	8,505,000

	No. of Com. Shares #	Earn. per Share #
1980	6,112,000	$1.80
1979	6,125,000	2.22
1978	6,094,000	2.15
1977	5,987,000	1.96
1976	5,910,000	1.44

+ Of continuing operations only.
# Based on average number of shares outstanding, adjusted to reflect acquistion of High Performance Machines, Inc., which was accounted for as a pooling of interests.

Revenues By Line of Business

	1980	1979
Merchandising Equip.	$ 135,946,000	$ 146,571,000
Industrial equip.	97,600,000	78,458,000
Engineered plastics	84,734,000	93,352,000
Total	$ 318,280,000	$ 318,381,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.20	—	—
1979	1.20	—	—
1978	1.20	—	—
1977	1.10	—	—
1976	1.00	—	—

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 104,917,000	$17.17
1979	100,682,000	16.44
1978	92,731,000	15.22

# Based on average number of shares outstanding.

Income Account *
(000's)

Year ended Dec. 31		1980		1979
Net sales	$	318,280	$	318,381
Cost of sales		249,100		246,064
Expenses		49,671		46,841
Interest expense		7,296		5,873
Interest income		(1,186)		(921)
Other income		(1,388)		(1,543)
Income before taxes	$	14,787	$	22,067
Income taxes		6,797		10,164
Income from cont. oper.	$	7,990	$	11,903
Income from discont. oper.		2,986		1,705
Net Income	$	10,976	$	13,608

*Included in Costs and Expenses, Depreciation and Amortization: $7,037,000 in 1980 and $5,826,000 in 1979.

Assets
(000's)

As of Dec. 31		1980		1979
Cash	$	3,645	$	4,731
Cert. of deposit & invest.		3,695		960
Notes & accts. receiv.		55,824		54,039
* Inventories		69,174		71,043
Prepaid expenses		5,111		4,800
Current Assets	$	137,449	$	135,573
# Fixed assets		72,173		58,664
Other assets		7,758		4,054
Intangibiles		11,558		11,903
Total Assets	$	228,938	$	210,194

Liabilities
(000's)

Notes payable	$	8,934	$	10,592
Long-term debt, curr.		404		829
Accts. payable		17,978		18,224
Accruals		12,032		10,114
Accrued payroll		6,287		6,710
Income taxes		4,624		3,465
Curr. Liabilities	$	50,259	$	49,934
Long-term debt		70,136		56,974
Deferred inc. taxes		3,629		2,604
+ Common stock		17,629		17,583
Add. paid-in capital		20,910		20,772
Retained earnings		82,780		78,730
Treasury stock		(16,402)		(16,403)
Total Liabilities & Shareholders' Equity	$	228,938	$	210,194

* At lower of cost or market. Cost principally determined by FIFO; remainder at LIFO.
# Less accumulated depreciation & amortization.
+ $2.50 par value.

Statistical Summary

%Net Income to Equity	10.46	13.52
Sales to Inventories	4.60	4.43
Working Capital	$ 87,190,000	$ 85,639,000
Current Ratio	2.73	2.72
Shareholders' Equity	$ 104,917,000	$ 100,682,000

The Unimax Corporation

54 East 64th Street
New York,New York 10021
(212) 755-8800

Officers: Arthur L. Carte, chairman of the board; Tom Scheinman, president & chief exec. officer; Jules Martinez. sr. v.p.; John D. Sicher, Jr., v.p. & general counsel; Richard S. Wiesenthal, exec. v.p. & treasurer; Seymour Hertz, secretary; Warren J.Kaplan, v.p. & controller; Peter Giosa.

Directors: Arthur L. Carter, Tom Scheinman, Jules Martinez, Richard S. Wiesenthal, Seymour Hertz, Peter Giosa, S. Marcus Finkle, John Halpern, Peter Hertel, William Lerner, William L. Maxson, Jr., Mark Kaplan, John D. Sicher, Jr., Warren J. Kaplan.

Areas of Work: Engaged principally in the manufacture and sale of electrical components; in graphic arts business (photoengraving, lithograhy and typography and gravure); in the manufacture and sale of metal products (principally springs); and in the retail jewelry stores.

Divisions and Subsidiaries:

Components Group

Unimax Switch Corporation
Ives Road
Wallingford, Connecticut 06492

Ward Leonard Electric Co., Inc.
31 South Street
Mt. Vernon, New York 10550

Unimax Switch Limited
Maidenhead, England

Metal Products Manufacturing Group

Lee Spring Company, Inc.
30 Main Street
Brooklyn, New York 11201

Graphics Group

Master-Eagle Photoengraving Corp.
Craftsman Color Lithographers, Inc.
The Type Group Inc.
Intaglio Service Company of New York City

All At:

40 West 25th Street
New York, New York 10010

Retail Group

Barry's Jewelers, Inc.
543 South Broadway
Los Angeles, California 90013

Transfer Agent(s):
Bradford Trust Company
New York, New York 10004

Stock Exchange(s): American, Pacific, Phil.

Ticker Symbol: UMX

The Unimax Corporation

Number of Employees:

1980	1,717	1977	2,027
1979	2,033	1976	1,986
1978	2,019		

Plant Footage:

1980 . . . . 558,900 sq. ft.

Sales and Earnings

	Revenues †	Net Income ‡
1980*	$ 56,202,600	$ 939,900
1979	80,134,900	4,163,000
1978	68,809,200	5,171,200
1977	59,600,000	3,078,273
1976	41,328,000	2,046,472

	No. of Com. Shares +	Earn. per Share ‡ +
1980	1,871,969	$0.43
1979	1,754,621	2.25
1978	1,648,836	3.00
1977	1,391,113	2.01
1976	1,129,623	1.47

* 8 months.

† Of continuing operations only.

‡ Including extraordinary gains of $334,500 ($0.18 per share) in 1980, $2,084,400 ($1.19 per share) in 1979, $2,420,300 ($1.47 per share) in 1978, $1,854,730 ($1.33 per share) in 1977 and $1,320,000 ($1.17 per share) in 1976.

+ Based on the average number of shares outstanding.

Revenues By Line of Business

	1980	1979
Electrical components group	$ 24,682,000	$ 31,834,000
Metal products mfg. group	6,389,000	8,999,000
Graphic group	13,594,000	19,072,000
Retail group	11,537,000	20,230,000
Total	$ 56,202,000	$ 80,135,000

Income Account *

Year ended Dec. 31	1980	1979
Revenues	$ 56,202,600	$ 80,134,900
Cost of sales	33,787,900	45,897,400
Expenses	16,103,700	22,007,600
Interest & debt expense	3,772,100	4,624,500
Depreciation and amortization	1,653,200	2,172,800
Other income	(64,000)	(611,100)
Income before taxes	$ 949,700	$ 6,043,700
Income taxes	375,900	2,868,200
Inc.-cont. oper.	$ 573,800	$ 3,175,500
Inc. (loss)-discont. oper.	31,600	(1,096,900)
Net Income	$ 605,400	$ 2,078,600
Extraord. gain	334,500	2,084,400
Net Income & extraodinary gain	$ 939,900	$ 4,163,000

Assets

As of Dec. 31	1980	1979
Cash	$ 1,039,200	$ 3,477,200
Accts. & notes receiv., net	18,628,500	19,927,400
* Inventories	20,457,700	20,921,700
Prepayment & other assets	1,023,400	712,200
Current Assets	$ 41,148,300	$ 45,038,500
Investments	746,200	2,107,400
# Fixed assets	18,890,700	16,520,400
Other assets	98,900	157,200
Intangibles	7,720,600	9,332,900
Deferred charges	2,249,600	2,368,600
Total Assets	$ 70,854,800	$ 75,525,000

Liabilities

Notes & revolving loans	$ 9,689,500	$ 10,470,100
Long-term debt, curr.	1,274,900	1,378,800
Accts. payable	5,435,300	7,314,200
Accruals	3,500,500	3,815,900
Other liabilities	2,808,300	3,334,500
Curr. Liabilities	$ 22,708,500	$ 26,313,500
Long-term debt	8,913,300	8,362,600
Other liabilities	2,674,700	5,015,100
Conv. subord. debt	17,937,300	18,087,300
+ Preferred stock:		
Series A	1,055,200	1,086,700
+ + Common stock	1,451,000	1,445,700
Add. paid-in capital	27,858,600	27,835,900
Deficit	(10,087,500)	(10,978,800)
Treasury stock	(1,656,300)	(1,643,000)
Total Liabilities & Shareholders' Equity	$ 70,854,800	$ 75,525,000

* At lower of cost (FIFO) or market.

# Less accumulated depreciation and amortization.

+ $3 par value.

+ + $0.75 par value.

Statistical Summary

%Net Income to Equity	3.25	11.71
Sales to Inventories	2.75	3.83
Working Capital	$ 18,439,800	$ 18,725,000
Current Ratio	1.81	1.71
Shareholders' Equity	$ 18,621,000	$ 17,746,500

United Aircraft Products, Inc.

Dayton International Airport
P.O. Box 1335
Dayton, Ohio 45401
(513) 898-1811

Officers: Maury L. Spanier, chairman of the board & chief executive officer; Milton S. Cohn, chairman of the executive committee; Nick G. Harris, president & chief operating officer; Henry Cozzolino, v.p.-marketing; Eugene J. Cattaneo, v.p.-manufacturing; Robert R. Pfouts, v.p.-engineering; Carl E. Simmons, v.p.; Charles A. Gockel, Jr., treasurer; Zevie B. Schizer, secretary.

Directors: Benjamin Alpert, Milton S. Cohen, Robert K. Hart, Norman I. Schafler, Maury L. Spanier, Nick G. Harris, Marvin J. Kirsten, Ivar Malmstrom, Sr., Donald W. Thomas.

Areas of Work: Engaged in the design, development and manufacture of products for companies in the aerospace industry, with special emphasis upon thermal control systems, heat exchangers, oil system reservoirs, and related equipment. Products include vapor and air cycle refrigeration systems, expendable refrigerant systems, electronic cooling systems, liquid chillers, dehumidifiers, water seperators and liquid cooling systems; thermal insulations; heat exchangers; metallic seals; oil tanks, accumulators, and pressure vessels; aerospace ground equipment, including mobile air conditioners, fluid charging systems, special ground handling equipment, and test stands.

Subsidiary:

UAP Components, Inc.
Columbia Industrial Park
Columbia, South Carolina 29209
(803) 783-1880

Transfer Agent(s):

Bradford Trust Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: UAP

Sales and Earnings

	Net Sales	Net Income
1980	$ 18,468,000	$ 1,672,000
1979	18,027,000	2,002,000
1978	16,036,000	1,771,000
1977	15,084,000	1,399,000
1976	13,584,000	1,159,000

	No. of Com. Shares	Earn. per Share ‡
1980	1,383,512	$1.22
1979	1,244,782	1.47
1978	1,130,326	1.31
1977	1,026,326	1.05
1976	906,770	0.88

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends. and stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.62	10%	—
1979	0.53	10%	—
1978	0.45	10%	—
1977	0.38	10%	—
1976	0.31	—	5-for-4

+ Adjusted to refelct stock dividends and stock split.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 12,198,209	$8.82
1979	11,301,718	9.08
1978	9,990,958	8.84
1977	8,901,209	8.67
1976	7,846,742	8.65

Income Account *

Year ended Nov. 30	1980	1979
Net sales	$ 18,467,991	$ 18,026,601
Cost of sales	13,552,183	12,123,416
Expenses	2,725,623	2,668,476
Other income	(363,445)	(534,274)
Income before taxes	$ 2,553,630	$ 3,768,983
Income taxes	1,029,000	1,767,000
Cum. effect of deprec. change	(147,479)	—
Net Income	$ 1,672,109	$ 2,001,983

* Included in Costs and Expenses, Depreciation and Amortization: $214,157 in 1980 and $243,404 in 1979.

Assets

As of Nov. 30	1980	1979
Cash	$ 92,602	$ 42,475
Marketable securities	2,063,653	4,144,838
Accts. receiv.,net	3,523,018	2,664,997
* Inventories	6,351,160	5,178,565
Prepaid expenses & deferred inc. taxes	428,949	408,739
Current Assets	$ 12,459,382	$ 12,439,614
# Fixed assets	3,316,364	1,872,469
Total Assets	$ 15,775,746	$ 14,312,083

Liabilities

Accts. payable	$ 1,322,413	$ 1,292,743
Accruals	952,750	597,851
Income taxes	590,374	627,771
Curr. Liabilities	$ 2,865,537	$ 2,518,365
Deferred inc. taxes	712,000	492,000
+ Common stock	695,340	625,659
Add. paid-in capital	8,805,243	6,043,389
Retained earnings	2,821,284	4,717,040
Treasury stock	(123,658)	(84,370)
Total Liabilities & Shareholders' Equity	$ 15,775,746	$ 14,312,083

* At lower of cost (FIFO) or market.

# Less accumulated depreciation.

+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.83	20.91
%Net Income to Sales	9.05	11.11
%Net Income to Equity	13.71	17.71
Sales to Inventories	2.91	3.48
Working Capital	$ 9,593,845	$ 9,921,249
Current Ratio	4.35	4.94
Shareholders' Equity	$ 12,198,209	$ 11,301,718

United Industrial Corporation

18 East 48th Street
New York, New York 10017
(212) 752-8787

Officers: Bernard Fein, president; A. Edwin Fein, v.p. & secretary; Irwin R. Barr, Harold L. Knox, v.p.'s; Howard M. Bloch, treasurer.

Directors: Arthur P. Clow, A. Edwin Fein, Bernard Fein, Ben Feit, Howard M. Bloch, Myron Simons.

Subsidiaries:

AAI Corpoation
Cockeysville, Maryland; Orlando, Florida; Oakland, California

Engaged in the development and manufacture of automatic test equipment for aircraft; weapons, ammunition and fuzing; material handling equipment; simulator for electronic warfare training (SEWT); and solar energy systems.

Affiliated Hospital Products, Inc.
Perry Group
Massillon & Carrollton, Ohio; Columbus, Ga.; Ajax, Canada

Different types of gloves, catheters, finger cots and tubing for the hospital market.

Equipment Group
St. Louis, Mo.; Columbus, Ga.

Produces hospital equipment such as hospital beds.

MPL, Inc.
Chicago & Franklin Park, Illinois

Development and sale of a patented unit-dose system; medical and dental needles.

Neo Products Company
Chicago, Illinois

Producer of custom thermaplastic parts for the merchandisers of major appliances.

Detroit Stoker Company
Monroe & Marshall, Michigan; Columbus, Ohio

Designs, manufactures and markets coal burning stokers and auxiliary equipment, refuse burning systems, pollution control devices, related material handling equipment, and waste material crushers/shredders.

Transfer Agent(s):

Morgan Guaranty Trust Company
30 West Broadway
New York, New York 10015

Bank of America, N.T. & S.A.
111 West Seventh Street
Los Angeles, California 90014

Stock Exchange(s): New York

Ticker Symbol: UIC

Number of Employees:

1980	3,800	1977	2,988
1979	3,860	1976	2,700
1978	3,400		

Plant Footage:

1980	1,604,088 sq. ft.	1977	1,480,194
1979	1,716,064	1976	1,525,733
1978	1,585,564		

Sales and Earnings

	Net Sales †	Net Income
1980	$ 165,492,000	$ 7,825,000
1979	144,426,000	7,073,000
1978	125,577,000	6,079,000
1977	107,293,000	5,474,000
1976	92,159,000	4,661,000

	No. of Com. Shares +	Earn. per Share #
1980	2,797,486	$3.02
1979	2,707,749	2.78
1978	2,543,453	2.49
1977	2,487,358	2.19
1976	2,385,314	1.93

† Of continuing operations only.

# Based on weighted average number of common shares outstanding adjusted to reflect stock dividends.

+ Adjuted to reflect stock dividends.

Revenues By Line of Business

	1980	1979
Health prods.	$ 48,157,000	$ 46,720,000
Defense contractor	86,308,000	69,351,000
Industrial cumbustion equip.	28,450,000	24,904,000
Other	2,577,000	3,451,000
Total	$ 165,492,000	$ 144,426,000

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1980	$0.84	10%	—
1979	0.73	10%	—
1978	0.62	10%	—
1977	0.51	10%	—
1976	0.34	10%	—

‡ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$46,093,000	$16.48
1979	39,872,000‡	14.73
1978	33,378,000‡	13.13
1977	28,519,131‡	11.46
1976	22,908,014‡	9.60

‡ After allowing for preferred shares at redemption value of $8.50 per share.

† Adjusted to reflect stock dividends.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 165,492,000	$ 144,426,000
Cost of sales	127,836,000	113,423,000
Expenses	21,121,000	17,742,000
Interest expense	2,065,000	1,150,000
Income before taxes	$ 14,470,000	$ 12,111,000
Income taxes	5,719,000	4,298,000
Minority iterest	457,000	402,000
Income-cont. oper.	$ 8,294,000	$ 7,411,000
Loss-discont. oper.	(469,000)	(338,000)
Net Income	$ 7,825,000	$ 7,073,000

* Included in Costs and Expenses, Depreciation and Amortization: $3,646,000 in 1980 and $2,861,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash & marketable securities	$ 1,332,000	$ 1,865,000
Trade receiv., net	25,683,000	23,494,000
Deferred inc. tax benefit	—	295,000
* Inventories	32,412,000	27,708,000
Prepaid expenses	1,076,000	4,084,000
Current Assets	$ 60,503,000	$ 57,446,000
# Fixed assets	25,462,000	24,661,000
Other assets	12,846,000	11,051,000
Total Assets	$ 98,811,000	$ 93,158,000

Liabilities

Notes payable	$ 6,300,000	$ 12,390,000
Long-term debt, curr.	879,000	2,044,000
Accts. payable	9,239,000	8,222,000
Accrued payroll	4,315,000	3,397,000
Income taxes	706,000	282,000
Other liabilities	8,655,000	6,325,000
Deferred inc. taxes	7,910,000	—
Curr. Liabilities	$ 38,004,000	$ 32,660,000
Long-term debt	2,050,000	3,664,000
Deferred inc. taxes	8,070,000	11,283,000
Minority iterest	4,594,000	4,768,000
+ Preferred stock	—	911,000
+ + Common stock	4,073,000	3,737,000
Add. paid-in capital	27,098,000	18,761,000
Retained earnings	19,592,000	22,044,000
Treasury stock	(4,670,000)	(4,670,000)
Total Liabilities & Shareholders' Equity	$ 98,811,000	$ 93,158,000

* At lower of cost (LIFO, actual, average, standard) or market.

# Less accumulated depreciation and amortization.

+ $8.50 par value; Series A convertible.

+ + $1 par value.

Statistical Summary

%Net Income to Equity	16.98	17.34
Sales to Inventories	5.11	5.21
Working Capital	$ 22,499,000	$ 24,786,000
Current Ratio	1.59	1.76
Shareholders' Equity	$ 46,093,000	$ 40,783,000

United Technologies Corporation

United Technologies Building
Hartford, Connecticut 06101
(203) 728-7000

Officers: Harry J. Gray, chairman of the board, president & chief executive officer; Robert J. Carlson, Peter L. Scott, executive vice presidents; Wesley A. Kuhrt, sr. v.p.-technology; Edward W. Large, sr. v.p. & general counsel; Clark MacGregor, sr.v.p.-external affairs; Sidney F. McKenna, sr. v.p.-human resources & organization; Stillman B. Brown, sr. v.p. & chief financial officer; Raymond D'Argenio, sr. v.p.-international; Nathaniel B. Morse, v.p.-industrial relations; Francis L. Murphy, v.p.-public relations & communications; Russell G. Meyerand, Jr., v.p.-research & development; Donald Nigro, v.p.-manufacturing; George E. Williams, Ralph A. Weller, Robert L. Cole, James F. Lyons, Hugh E. Witt, Barnet R. Adelman; William J. Evans, Dale W. Van Winkle, v.p.'s; Charles B. Preston, v.p. & controller; Joseph A. Biernat, v.p. & treasurer; Martin R. Lewis, Jr., secretary.

Directors: T. Mitchell Ford*, Harry J. Gray*, Robert L. Sproull, William I. Spencer*, Alfred W. Van Sinderen*, Richard S. Smith, Walter F. Probst*, Hubert Faure, Jacqueline G. Wexler, Robert J. Carlson, Melvin C. Holm, Antonia H. Chayes, Robert F. Dee, Peter L. Scott, William E. Simon, Darwin E. Smith.

*Member of Executive Committe.

United Technologies Corporation

Areas of Work: Vertical-lift aircraft for military and civil operation and precision systems for flight, including environmental engine, air-inlet, and wing-sweep actuator controls; airborne integrated data systems and flight recorders; airborne radar and cockpit display systems; propellers; solid propellant rocket boosters and motors; liquid-fueled and hybrid rocket engines; space life support, environmental, guidance, and power systems; altitude control thrusters; turbine aircraft engines in a range of power ratings; gas turbines and allied equipment for electrical power generation, industrial process, natural gas transmission, and marine propulsion; computerized diagnostic and control systems for the automotive and other industries; laser welding systems for industry; electrical products principally for electric utility, telephone, automotive, construction and appliance markets; elevators and escalators.

Divisions and Subsidiaries:

Pratt & Whitney Aircraft Group
East Hartford, Connecticut 06108
(203) 565-4321

Otis Group, Inc.
245 Park Avenue
New York, New York 10017
(212) 557-5700

Hamilton Standard Division
Bradley International Airport
Windsor Locks, Connecticut 06096
(203) 623-1621

AMBAC Industries, Incorporated
One Old Country Road
Carle Place, New York 11514
(516) 742-5700

Sikorsky Aircraft Division
Stratford, Connecticut 06497
(203) 378-6361

Norden System, Inc.
Helen Street
Norwalk, Connecticut 06856
(203) 838-4471

Power Systems Division
Hartford, Connecticut 06101
(203) 728-7000

Chemical Systems Division
P.O. Box 358
Sunnyvale, California 94088
(40899 739-4880

Essex Group, Inc.
1601 Wall Street
Fort Wayne, Indiana 46804
(291) 743-0311

United Aircraft Research Center
East Hartford, Connecticut 06108
(203) 565-4321

Turbo Power and Marine Systems, Inc.
1690 New Britain Avenue

Farmington, Connecticut 06032
(203) 677-4081

Pratt & Whitney Aircraft of West Virginia, Inc.
P.O. Box 245
Bridgeport, West Virginia 26330
(304) 842-5421

United Technologies International Incorporated
East Hartford, Connecticut 06108
(203) 565-4321

Pratt & Whitney Aircraft of Canada Limited (97% owned)
P.O. Box 10
Longueuil, Quebec, Canada
(514) 677-9411

Acquisition(s):

AMBAC Industries, Incorporated
Carle Place, New York 11514

Designs and manufactures fuel injection systems for diesel engines, aircraft navigation systems, small electric motors, fluid-power products, and medical and scientific instruments.

Carrier Corporation
Carrier Tower
Syracuse, New York 13221
(315) 424-4711

Engaged in the manufacture and sale of air conditioning equipment, chemical specialty products and energy processing equipment.

Mostek Corporation
P.O. Box 169
1215 Crosby Road
Carrollton, Texas 75006
(214) 323-8822

Products include integrated circuits and sub-systems for the data processing and telecommunications industries.

Transfer Agent(s):

Citibank, N.A.
111 Wall Street
New York, New York 10043

The Chase Manhattan Bank N.A. ($8.00 preferred stock)
1 New York Plaza
New York, New York 10081

Irving Trust Company ($7.32 preferred stock)
1 Wall Street
New York, New York 10015

Chemical Bank ($3.875 preferred stock)
55 Water Street
New York, New York 10041

Morgan Guaranty Trust Company of New York ($2.55 and $4.50 preferred stock)
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York, London, Paris, Frankfurt, Geneva, Basel, Zurich, Brussels, Amsterdam, Lausanne.

Ticker Symbol: UTX

Number of Employees:

1980	200,200	1977	138,587
1979	197,700	1976	133,383
1978	152,213		

Plant Footage:

1980	62,959,000 sq.ft.	1977	50,553,000
1979	63,158,000	1976	50,486,000
1978	53,892,000		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 12,323,994	$ 393,383
1979	9,053,358	325,608
1978	6,265,318	234,144
1977	5,550,670	195,972
1976	5,166,264	157,403

	No. of Com. Shares ‡	Earn. per Share ‡
1980	42,855,312	$7.28
1979	41,625,259	6.49
1978	38,721,528	5.45
1977	28,972,461	5.66
1976	25,403,691	5.05

‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1980	1979
Power	$ 4,733,408	$ 3,691,657
Flight systems	1,216,873	894,912
Industrial prods & services:		
Construction	3,951,801	2,697,324
Auto., appliance, other	2,456,785	1,716,257
Other	202,910	195,250
Eliminations	(237,783)	(142,042)
Total	$ 12,323,994	$ 9,053,358

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1980	$2.20	—	—
1979	2.20	—	—
1978	2.00	—	—
1977	1.65	—	—
1976	1.1875	—	2-for-1

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity +	Equity Per Share ‡
1980	$1,888,019,000	$43.24
1979	1,623,053,000	38.54
1978	1,411,767,000	34.39
1977	1,069,466,000	34.23
1976	809,510,000	30.71

+ After allowing for preferred stock at aggregate liquidation value.

‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 12,323,994	$ 9,053,358
Other income	75,397	80,619
Total income	$ 12,399,391	$ 9,133,977
Cost of sales & services	9,038,161	6,542,480
Expenses	1,684,046	1,281,303
Research & devel.	660,296	545,471
Interest expense	229,848	138,589
Income before taxes	$ 787,040	$ 626,134
Income taxes	373,844	284,050
Minority interest	19,813	16,476
Net Income	$ 393,383	$ 325,608

* Included in Costs and Expenses, Depreciation: $226,298,000 in 1980 and $155,989,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash & short-term invest.	$ 147,028	$ 168,943
Accts. receiv., net	1,585,586	1,322,431
Refundable taxes	—	115,148
* Inventories	2,778,493	2,360,770
Prepaid expenses	66,230	61,468
Current Assets	$ 4,577,337	$ 4,028,760
Investments & advances	151,015	129,790
Accts. & notes receivable	58,995	55,360
# Fixed assets	1,963,311	1,666,209
Defer. charges	575,612	546,004
Total Assets	$ 7,326,270	$ 6,426,123

Liabilities

Notes payable	$ 663,548	$ 436,473
Long-term debt, curr.	25,573	31,380
Accts.payable	912,722	748,411
Accruals	1,171,024	975,500
Income taxes	122,983	117,307
Deferred inc. taxes	102,568	—
Advances on contracts	186,842	206,727
Curr. Liabilities	$ 3,185,260	$ 2,515,798
Long-term debt	867,270	913,495
Deferred invest. tax credit	203,568	200,099
Other liabilities	231,225	198,394
Minority interest	80,902	87,989
+ Preferred stock:		
$4.50 Cumulative	3,470	3.524
$2.55 Cumulative	551,657	543,510
$3.875 Cumulative	187,643	188,040
$7.32 Cumulative	95,290	106,250
$8.00 Cumulative	16,556	30,047

+ + Common stock	678,591	631,379
Retained earnings	1,224,838	1,007,598
Total Liabilities & Shareholders' Equity	$ 7,326,270	$ 6,426,123

* At lower of cost or estimated realizable value.
# Less accumulated depreciation and amortization.
+ $1 par value, convertible.
+ + $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.39	6.92
%Net Income to Sales	3.19	3.60
%Net Income to Equity	14.26	12.97
Sales to Inventories	4.44	3.83
Working Capital	$1,392,077,000	$1,512,962,000
Current Ratio	1.44	1.60
Shareholders' Equity	$2,758,045,000	$2,510,348,000

United Telecommunications, Inc.

2330 Johnson Drive
Westwood, Kansas 66205
(913) 676-3000

Mailing address:

P.O. Box 11315
Kansas City, Missouri 64112

Officers: Paul H. Henson, chairman of the board & chief executive officer; Raymond M. Alden, vice chairman; Charles W. Battey, president & chief operating officer; John F. Dodd, executive v.p. & general counsel; William T. Esrey, executive v.p. & chief financial officer; Richard J. Croker, Donald G. Forsythe, John M. Lothschuetz, Ralph T. Whiteside, v.p.'s; Frank R. Ventura, v.p. & controller; John M. Napiecek, v.p. & treasurer; Don A. Jensen, v.p. & secretary.

Directors: Raymond M. Alden, Charles W. Battey, Joseph D. Brenner, William N. Deramus III, Robert G. Fuller, Paul H. Henson, Thomas S. Nurnberger, James C. Olson, Charles E. Rice, H.S. Payson Rowe, Erwin A. Stuebner, Avis G. Tucker, Stewart Turley.

Areas of Work: A publicly-owned holding company which has three operating groups. United Communications Systems, Inc. is engaged principally in telecommunications, electrical, CATV and security and alarm product distribution; United Information Systems, Inc. offers remote computing and data network services and United Telephone System, Inc. is the nation's second largest non-Bell telephone system.

Subsidiaries:

United Communications Systems, Inc.
P.O. Box 11315
Kansas City, Missouri 64112
(913) 676-3000

Consists of the following companies:

North Supply Company
10951 Lakeview Avenue
Lenexa, Kansas 66219
(913) 888-9800

UniTel International, Inc.
6045 Martway
Shawnee Mission, Kansas 66205

Wintel Service Corporation
Box 9200
Longwood, Florida 32750

Winco Construction Corporation
Box 9300
Longwood, Florida 32750

United Information Systems, Inc.
P.O. Box 8551
Kansas City, Missouri 64114
(913) 341-9161

Consists of the following companies:

United Computing Systems, Inc.
2525 Washington Street
Kansas City, Missouri 64108

On-Line Systems
115 Evergreen Heights
Pittsburgh, Pennsylvania 15229

United Computing International
United House, 5666 Leonard Street
London EC2, England

Uninet, Inc.
2525 Washington Street
Kansas City, Missouri 64108

United Telephone System, Inc.
P.O. Box 11315
Kansas City, Missouri 64112
(913) 676-3000

Carolina Telephone and Telegraph Co.
720 Western Blvd.
Tarboro, North Carolina 27886
(919) 823-9900
Consists of the following companies:
United Telephone Company of the Carolinas
Norfolk Caroline Telephone Company

United Telephone System-Florida Group
919 West Highway 436
Altamonte Springs, Florida 32701
(305) 862-1123
Consists of the following companies:
Florida Telephone Corporation
United Telephone Company of Florida
Winter Park Telephone Company

United Telephone Company of Indiana
Post Office Box 391
Warsaw, Indiana 46580
(219) 267-6161

United Telephone System-Northwest Group
601 State Street
Hood River, Oregon 97301
(503) 386-2211
Consists of the following companies:
United Telephone Company of the Northwest
California-Oregon Telephone Company

United Telephone Company of Ohio
Post Office Box 3555
Mansfield, Ohio 44907
(419) 755-8011

United Telephone System-Eastern Group
1170 Harrisburg Pike
Carlisle, Pennsylvania 17013
(717) 243-6312
Consists of the following companies:
United Telephone Company of Pennsylvania
United Telephone Company of New Jersey
New Jersey Telephone Company
West Jersey Telephone Company
Hillsborough and Montgomery Telephone Company
Saltillo Telephone Company

United Telephone System-Texas Group
P. O. Box 2016
Tyler, Texas 75710
(214) 675-8521
Consists of the following companies:
Gulf States-United Telephone Company
Palo Pinto Telephone Company

United Telephone System-Midwest Group
6666 W. 110th St.
Overland Park, Kansas 66211
(913) 381-6400
Consists of the following companies:
United Telephone Company of Iowa
United Telephone Company of Kansas
United Telephone Company of Minnesota
United Telephone Company of Missouri
United Telephone Company of Arkansas
United Telephone Company of the West

United Telephone System-Southeast Group
112 Sixth Street
Bristol, Tennessee 37620
(615) 968-8121
Consists of the following companies:
United Inter-Mountain Telephone Company
United Telephone Company of the Carolinas

Transfer Agent(s):

United States Trust Company
130 John Street
New York, New York 10038

United Missouri Bank of Kansas City, N.A.
P.O. Box 226
Kansas City, Missouri 64141

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: UT

Number of Employees:

1980	29,320	1977	24,600
1979	29,601	1976	28,226
1978	27,651		

Sales and Earnings

	Revenues & Sale #	Net Income
1980	$ 1,911,660	$ 177,336,000
1979	1,753,029	182,887,000
1978	1,481,083	168,396,000
1977	1,262,532	142,873,000
1976	1,066,527	119,524,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	69,454,000	$2.47
1979	66,989,000	2.63
1978	64,700,000	2.48
1977	60,900,000	2.16
1976	57,000,000	1.86

‡ Based on the average number of shares outstanding.
# Of continuing operations only.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.56	—	—
1979	1.48	—	—
1978	1.38	—	—
1977	1.26	—	—
1976	1.16	—	—

Common Stock Equity

	Total Equity †	Equity Per Share +
1980	$1,128,600,000	$16.25
1979	1,013,372,000	15.13
1978	878,908,000	13.58

† After allowing for preferred stock at involuntary liquidation values of $40 per share for First Series and $33⅓ per share for Second Series.
+ Based on the average number of shares outstanding.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Telephone Syst.:		
Revenues	$ 1,406,888	$ 1,281,627
Expenses	582,802	522,959
Depreciation	274,193	236,719
Income taxes	49,753	41,964
Investments tax credit	33,497	32,751
Deferred income taxes	39,425	51,736
Other taxes	114,980	106,476
Oper. income	$ 312,238	$ 289,022
Other income	(1,820)	(990)
Interest income	(7,111)	(8,068)
Interest expense	133,734	113,884
Other expense	3,850	4,019

Income from telephone syst.	$ 183,585	$ 180,177
Communications Syst:		
North Supply Co.:		
Net sales	381,958	372,005
Cost of sales	337,956	331,120
Expenses	24,193	18,913
Interest Expense	4,471	2,864
Income taxes	7,487	9,367
Income from North Supply	$ 7,851	$ 9,741
International oper.	(1,287)	(3,409)
Other services	592	556
Income from Comm. Syst.	$ 7,156	$ 6,888
United Info. Systems		
Revenues & net sales	115,142	95,649
Expenses & cost of sales	105,968	83,427
Income taxes	3,946	5,259
Interest exp.	379	1,145
Income from Info. Syst.	$ 4,849	$ 5,818
Parent operations	(20,285)	(13,735)
Other operations	49	285
Income-cont. oper.	$ 175,354	$ 179,433
Income-discont. oper.	1,982	3,454
Net Income	$ 177,336	$ 182,887

* Included in Costs and Expenses, Depreciation: $287,193,000 in 1980 and $246,699,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 21,028	$ 16,064
Invest. & deposits	17,400	6,352
Accts. receiv., net	245,718	235,684
* Inventories	123,334	122,097
Prepaid expenses	25,031	22,440
Current Assets	$ 432,511	$ 402,637
Investments	13,400	15,013
# Fixed assets	3,716,934	3,410,586
Defer. charges	26,799	28,363
Intangibles	16,318	16,378
Total Assets	$ 4,205,962	$ 3,872,977

Liabilities
(000's)

Notes payable	$ 96,503	$ 127,235
Long-term debt, curr.	27,740	27,895
Accts. payable	114,989	133,428
Comm. paper	127,670	138,885
Accrued interest	33,298	28,932
Advance billings	22,639	21,113
Accrued taxes	98,165	87,138
Other taxes	65,498	37,752
Curr. Liabilities	$ 586,502	$ 602,378
Long-term debt	1,669,593	1,507,542
Deferred credit	670,503	583,136
Redeem. pref. stock:		
Parent	36,400	37,600
Subsid.	21,736	23,968
Non-redeem. stock of subsid.	24,355	24,355
Preferred stock:		
+ First series	931	1,072
+ + Second series	5,470	6,487
+ + + Common stock	177,702	169,160
Emp. stock purch. install.	5,661	11,401
Add. paid-in capital	429,843	391,760
Retained earnings	577,266	514,118
Total Liabilities & Shareholders' Equity	$ 4,205,962	$ 3,872,977

* Utility inventories at average cost. Supply inventories at lower of average cost or market.
+ $3.75 stated value, convertible.
+ + $3.125 stated value, convertible.
+ + + $2.50 par value.

Statistical Summary

%Net Income to Equity	14.82	16.72
Shareholders' Equity	$1,196,873,000	$1,093,998,000

United Telecontrol Electronics, Inc.

3500 Sunset Avenue
Asbury Park, New Jersey 07712
(201) 922-1000

Officers: Harold T. Sher, president; Raymond F. Herter, v.p., secretary & treasurer; Caroline E. Letts, asst. secretary.

Directors: Harold T. Sher, Raymond F. Herter, Stanley R. Sprung, Philip H. Meyer, Jr., Caroline E. Letts.

Areas of Work: Memory systems and memory products, consisting of core planes or arrays, radar transponders, telemetry equipment, telephone converters.

Affiliates:

UTE Microwave, Inc.
3500 Sunset Avenue
Asbury Park, New Jersey 07712
Produces microwave components.

Subsidiaries:

UTE Consumer Products, Inc.
3500 Sunset Avenue
Asbury Park, New Jersey 07712
Produces electrical appliances.

Transfer Agent(s):

National State Bank
Elizabeth, New Jersey

Stock Exchange(s): Over-the-Counter

Ticker Symbol: UTEL (NASDAQ)

Number of Employees:

1980	100	1977	110
1979	100	1976	100
1978	100		

Plant Footage:

1980	50,000 sq.ft.	1977	50,000
1979	50,000	1976	50,000
1978	50,000		

Sales and Earnings

	Net Sales	Net Income +
1980	$ 3,203,662	$ 38,214
1979	2,604,775	(5,801)
1978	2,254,435	(395,742)
1977	3,354,081	38,186
1976	4,320,032	202,346

	No. of Com. Shares	Earn. per Share # +
1980	397,920	$0.10
1979	397,920	—
1978	397,920	—
1977	406,245	0.09
1976	415,695	0.48

(Loss)
# Based on the weighted average number of shares outstanding.
+ Including extraordinary gain of $3,000 ($0.01 per share) in 1980.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,647,914	$4.14
1979	1,606,700	4.04
1978	1,612,501	4.05
1977	2,024,381	4.98
1976	2,006,920	4.83

Income Account *

Year ended March 31	1980	1979
Net sales	$ 3,203,662	$ 2,604,775
Cost of sales	2,391,596	2,057,026
Expenses	756,877	550,832
Oper. Income (loss)	$ 55,189	$ (3,083)
Other Income	23,626	11,401
Total	$ 78,815	$ 8,318
Interest expense	5,589	4,439
Income before taxes	$ 73,226	$ 3,879
Income taxes	18,200	4,000
Minority interest	16,812	5,680
Net Income (Loss)	$ 38,214	$ (5,801)

* Included in Costs and Expenses, Depreciation and Amortization: $143,743 in 1980 and $166,331 in 1979.

Assets

As of March 31	1980	1979
Cash & securities	$ 501,739	$ 228,946
Receiv., net	459,958	505,615
* Inventories	752,889	643,591
Refund inc. taxes	2,897	27,357
Other assets	11,578	13,721
Current Assets	$ 1,729,061	$ 1,419,230
# Fixed assets	657,822	528,983
Other assets	17,078	18,148
Total Assets	$ 2,403,961	$ 1,966,361

Liabilities

Long-term debt, curr.	$ 28,953	$ 10,366
Accts. payable	222,598	142,169
Accruals	329,777	110,577
Curr. Liabilities	$ 581,328	$ 263,112
Long-term debt	95,918	34,560
Minority interest	78,801	61,989
+ Common stock	45,942	45,942
Add. paid-in capital	993,137	993,137
Retained earnings	745,462	704,248
Treasury stock	(136,627)	(136,627)
Total Liabilities & Shareholders' Equity	$ 2,403,961	$ 1,966,361

* At lower of average cost or net realizable market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.29	—
%Net Income to Sales	1.19	—
%Net Income to Equity	2.32	—
Sales to Inventories	4.26	4.05
Working Capital	$ 1,147,733	$ 1,156,118
Current Ratio	2.97	5.39
Shareholders' Equity	$ 1,647,914	$ 1,606,700

Unitrode Corporation

5 Forbes Road
Lexington, Massachusetts 02173
(617) 861-6540

Officers: George M. Berman, chairman of the board, chief executive officer & president; William B. Mitchell, exec. v.p.; James P. Ambrose, v.p.-semiconductors; Jonathan J. Sirota, v.p. & pres., Powercube Corporation; Howard F. Wasserman, v.p.-marketing; Alan R. Shoolman, v.p.-planning & development; Edward Simon,v.p.-research & engineering; Walter B. Gates, v.p.-finance & treasurer, Robert R. Feier, v.p.-capacitors; Norman Landstrom secretary.

Directors: George M. Berman, Norman Landstrom, Walter B. Gates, Kenneth Hecht, Peter A. Brooke, Arthur O. Choate, Jr., Arthur L. Goldstein.

Areas of Work: Develops, manufactures, and markets power semicoductors, ceramic capacitors, data conversion devices, and power supplies. Products include rectifiers, diodes, thyristers, zeners, and hybrid circuits.

Subsidiaries:

Powercube Corporation
8 Suburban Park Drive
Billerica, Massachusetts 01821
(617) 862-6400

Unitrode Computer Products Corporation
4 Gleason Street
Methuen, Massachusetts 01844
(617) 686-9451

Unitrode Mexicana S.A. de C.V.
Agua Prieta, Sonora, Mexico

Transfer Agent(s):

First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): New York

Ticker Symbol: UTR

Number of Employees:

1981	1,985	1978	1,335
1980	2,009	1977	1,318
1979	1,363		

Plant Footage:

1981	413,600 sq. ft.	1978	299,000
1980	413,600	1977	239,000
1979	308,300		

Sales and Earnings

	Net Sales	Net Income †
1981	$ 103,601,057	$ 10,401,855
1980	81,608,884	8,270,209
1979	50,587,788	6,922,392
1978	40,144,511	3,498,691
1977	31,470,090	2,237,561

	No. of Com. Shares ‡	Earn. per Share ‡ †
1981	3,090,434	$3.37
1980	3,038,771	2.72
1979	2,613,194	2.65
1978	2,609,637	1.34
1977	2,583,565	0.87

† Including extraordinary gains of $87,000 ($0.03 per share) in 1981 and $1,710,059 ($0.65 per share) in 1979.

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1981	1980	1979	1978
Semiconductors	68%	78%	83%	87%
Capacitors	11	9	8	5
Data conversion devices	16	7	—	—
Power circuit modules	5	6	9	8
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$0.50	—	—
1980	0.50	—	—
1979	0.15	—	—
1978	0.10	—	—
1977	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 45,832,219	$16.27
1980	49,842,124	16.04
1979	32,063,885	12.64
1978	25,713,388	9.98
1977	22,355,538	8.72

Income Account *

Year ended Jan. 31	1981	1980
Net sales	$ 103,601,057	$ 81,608,884
Cost of sales	56,407,359	46,574,139
Res. & develop. costs	3,105,392	1,788,772
Expenses	25,537,329	18,734,424
Interest income	339,497	(569,940)
Interest expense	745,619	252,280
Minority interest	—	(71,000)
Income before taxes	$ 18,144,855	$ 14,900,209
Income taxes	7,830,000	6,630,000
Net Income	$ 10,314,855	$ 8,270,209
Extraord. gain	87,000	—
Net Income & extraord. gain	$ 10,401,855	$ 8,270,209

* Included in Costs and Expenses, Depreciation and Amortization: $4,389,755 in 1981 and $3,242,791 in 1980.

Assets

As of Jan. 31	1981	1980
Cash	$ 2,021,532	$ 1,872,227
Marketable securities	949,168	5,411,897
Accts. & notes receiv., net	17,285,537	13,680,154
* Inventories	20,459,447	19,619,780
Prepaid expenses	411,286	535,773
Current Assets	$ 41,126,970	$ 41,119,831
# Fixed assets	26,350,250	21,623,255
Intangibles	3,293,982	3,459,166
Other assets	2,714,774	269,974
Total Assets	$ 73,485,976	$ 66,472,226

Liabilities

	1981	1980
Long-term debt, curr.	$ 8,200,000	$ 100,000
Accts. payable	4,784,915	5,894,059
Accrued payroll	3,687,431	2,390,000
Other accruals	2,318,594	1,289,421
Income taxes	1,854,792	3,816,597
Curr. Liablities	$ 20,845,732	$ 13,490,077
Bonds payable	4,950,000	2,150,000
Deferred inc. taxes	1,858,025	990,025
+ Common stock	627,355	623,322
Add. paid-in capital	18,204,524	18,823,166
Retained earnings	43,522,174	34,634,432
Treasury stock	(12,616,959)	(102,921)
Deferred compens.	(3,904,875)	(4,135,875)
Total Liabilities & Shareholders' Equity	$ 73,485,976	$ 66,472,226

* At current average cost but not in excess of net realizable value.

# Less accumulated depreciation.

+ $0.20 par value.

Statistical Summary

	1981	1980
%Income bef. Taxes to Sales	17.51	18.26
%Net Income to Sales	9.96	10.13
%Net Income to Equity	22.51	16.59
Sales to Inventories	5.06	4.16
Working Capital	$ 20,281,238	$ 27,629,754
Current Ratio	1.97	3.05
Shareholders' Equity	$ 45,832,219	$ 49,842,124

Universal Security Instruments, Inc.

10324 South Dolfield Road
Owings Mills,Maryland 21117
(301) 363-3000

Officers: Stephen Knepper, chairman; Michael Kovens, president; Amedee Dean, v.p.-manufacuring; Sanford Olshansky, v.p.-marketing; Stuart Rose, v.p.-int'l. sales; Irvin Kovens, secretary-treasurer; Romon J. Hacker, asst. treasurer.

Directors: Stephen Knepper, chairman; Michael Kovens, Irvin Kovens, Zelig Robinson.

Areas of Work: Designs, manufactures and markets burglar, and fire alarm systems and other consumer electronic products.

Transfer Agent(s):

Maryland National Bank
Baltimore, Maryland 21201

Stock Exchange(s): Over-the-Counter

Ticker Symbol: USEC (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1980	$ 7,856,217	$ (267,358)
1979	6,443,556	(1,094,736)
1978	11,948,146	618,789
1977	11,278,576	1,397,711
1976	5,662,325	531,306

	No. of Com. Shares ‡	Earn. per Share ‡
1980	1,577,155	$ —
1979	1,577,155	—
1978	1,577,075	0.39
1977	1,479,564	0.94
1976	1,272,865	0.42

(Loss)

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends and stock split.

Commen Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$ —	—	—
1979	0.05	—	—
1978	0.20	5%	—
1977	0.12	5%	—
1976	0.10	—	2-for-1†

‡ Adjusted to reflect stock dividends and stock split.

† In the form of a 100% stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 5,159,633	$3.27
1979	5,426,991	3.44
1978	6,600,584	4.19
1977	6,290,598	4.25
1976	2,885,119	2.27

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends and stock split.

Income Account *

Year ended March 31	1980	1979
Net sales	$ 7,856,217	$ 6,443,556
Cost of sales	6,355,721	6,090,783
Expenses	2,191,757	1,682,557
Oper. profit (loss)	$ (691,261)	$ (1,329,784)
Other expense (income)	(132,468)	865,889
Loss before taxes	$ (558,793)	$ (2,195,673)
Tax credit	(291,435)	(1,100,937)
Net Loss	$ (267,358)	$ (1,094,736)

* Included in Costs and Expenses, Depreciation and Amortization: $125,490 in 1980 and $133,939 in 1979.

Assets

As of March 31	1980	1979
Cash	$ 50,737	$ 39,675
Cert. of deposit	386,310	1,984,504
Treasury bills	293,120	—
Accts. receiv., net	1,699,833	779,048
Refundable income taxes	344,513	1,109,056
* Inventories	2,954,989	1,806,063
Prepaid expenses	98,805	50,197
Inv. to be disposed of	31,085	55,652
Deferred inc. taxes	—	10,423

Current Assets	$ 5,859,392	$ 5,834,618
# Fixed assets	1,426,747	1,248,245
Other assets & defer. charges	50,018	40,907
Total Assets	$ 7,336,157	$ 7,123,770
Liabilities		
Oblig. under cap. lease, curr.	$ 36,176	$ 33,077
Accts. payable	1,098,745	620,372
Accruals	156,575	135,843
Income taxes	14,454	23,270
Deferred income taxes	6,646	—
Curr. Liabilities	$ 1,312,596	$ 812,562
Long-term oblig. under cap. lease	800,620	835,064
Deferred inc. taxes	63,308	49,153
+ Common stock	15,771	15,771
Add. paid-in capital	5,066,279	5,066,279
Retained earnings	77,583	344,941
Total Liabilities & Shareholders' Equity	$ 7,336,157	$ 7,123,770

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

Sales to Inventories	2.66	3.57
Working Capital	$ 4,546,796	$ 5,022,056
Current Ratio	4.46	7.18
Shareholders' Equity	$ 5,159,633	$ 5,426,991

Universal Telephone, Inc.

Universal Building
231 West Wisconsin Avenue
Milwaukee, Wisconsin 53203
(414) 278-7000

Officers: Ray H. Dittmore, chairman of the board & president; J. Kenneth Baird, sr. v.p. secretary & general counsel; Richard P. Ausman, treasurer; Daniel Shadd, asst. secretary; William F. Dollard, asst. v.p.-finance.

Directors: J. Kenneth Baird, Frank J. Burke, Ray H. Dittmore, A. Earle Harris, Robert D. Sarver, Daniel Shadd, Adam E. Wolf.

Areas of Work: Owns and operates independent telephone companies in Wisconsin, New Mexico, Arizona, Colorado, and Oklahoma, serving 55,273 telephones as of December 31, 1980. Also engaged in custom electronic manufacturing including electromechanical band pass filters used in communication equipment, bathythermograph instruments used in underwater thermal recording and charting for submarine and geophysical applications; electronic laboratory equipment including phase meters, time and phase detectors, phase standards, dynamic analysis equipment and delay lines. Other subsidiaries are involved in water and sewer operations in the Orlando, Florida area.

Subsidiaries:

Dittmore-Freimuth Corp.
Milwaukee, Wisconsin

Teletronics Communication Services, Inc.
Milwaukee, Wisconsin

Southern States Utilities, Inc.
Orlando, Florida

Badger Telephone Co., Inc.
Webster, Wisconsin

Chippewa County Telephone, Inc
Jim Falls, Wisconsin

Cream Valley Telephone Company
Hawkins, Wisconsin

Frederic Telephone Company
Frederic, Wisconsin

Forestville Telephone Company, Inc.
Forestville, Wisconsin

The Hammond Telephone Company
Hammond, Wisconsin

Lakeland Telephone Co., Inc.
Minong, Wisconsin

Larsen-Readfield Telephone Company
Winchester, Wisconsin

Mid-America Telephone Inc.
Stonewall, Oklahoma

Monroe County Telephone Company
Sparta, Wisconsin

Ogema Telephone Company
Ogema, Wisconsin

Osceola Telephone Company
Osceola, Wisconsin

Poplar Telephone Company, Inc.
Poplar, Wisconsin

Solon Springs Telephone Co.
Solon Springs, Wisconsin

Universal Telephone Company of Colorado
Pagosa Springs, Colorado

Universal Telephone Company of Northern Wisconsin, Inc.
Manitowish Waters, Wisconsin

Universal Telephone Company of Southwest
Zuni, New Mexico

Transfer Agent(s):

First Bank N.A.
Milwaukee, Wisconsin

Stock Exchange(s): Over-the-Counter

Ticker Symbol: UNTL and UNTL A (NASDAQ)

Number of Employees:

1980	401	1977	358
1979	398	1976	352
1978	368		

Sales and Earnings

	Revenues	Net Income #
1980	$ 18,059,278	$ 658,688
1979	15,141,247	720,619
1978	13,243,044	485,610
1977	11,513,849	363,687
1976	10,062,834	302,962

	No. of Com. Shares +	Earn per Share # +
1980	1,140,603	$0.31
1979	1,140,603	0.36
1978	1,140,603	0.15
1977	1,140,603	0.05
1976	1,139,154	—

Including extraordinary gains of $278,415 ($0.24 per share) in 1979, $[illegible]52,000 ($0.15 per share) in 1978, $148,000 ($0.13 per share) in 1977 and $221,000 in 1976.
+ Based on the average number of common and Class A Special Stock outstanding.

Revenues By Line of Business

	1980	1979
Utility		
Telephone	$ 14,048,006	$ 11,949,361
Water-sewer	985,474	684,013
Manufacturing	3,025,798	2,507,873
Total	$ 18,059,278	$ 15,141,247

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 4,306,905	$3.78
1979	3,957,934	3.47
1978	3,547,032	3.11
1977	3,714,129	3.26

+ Based on the average number of common and Class A Special Stock outstanding

Income Account

Year ended Dec. 31	1980	1979
Utility Operations:		
Oper. revenues	$ 15,033,480	$ 12,633,374
Expenses	7,998,273	6,930,646
Depreciation & amortization	2,987,151	2,411,355
Minority interest	2,597	2,202
Interest expense	1,433,014	1,381,955
Utility Income	$ 2,612,445	$ 1,907,216
Manufacturing Oper:		
Net sales	3,025,798	2,507,873
Cost of sales	2,033,579	1,723,102
Expenses	526,926	444,106
Depreciation & amortization	100,318	91,316
Interest expense	78,896	87,173
Manufacturing Income	$ 286,079	$ 162,176
Parent Company Expenses	(1,720,178)	(1,239,768)
Income bef. taxes	$ 1,178,346	$ 829,624
Income taxes	519,658	387,420
Net Income	$ 658,688	$ 442,204
Extraord. gain	—	278,415
Net Income & extraord gain	$ 658,688	$ 720,619

Assets

As of Dec. 31	1980	1979
Cash	$ 2,029,963	$ 2,073,839
Receiv. net	2,381,699	2,124,606
* Inventories	1,225,061	1,090,778
Prepaid expenses	169,124	169,273
Current Assets	$ 5,805,847	$ 5,458,496
Investments	4,386,163	4,190,531
# Fixed assets	43,448,944	38,041,249
Defer. charges	899,662	914,014
Total Assets	$ 54,540,616	$ 48,604,290
Liabilities		
Notes payable	$ 2,868,956	$ 3,291,018
Long-term debt. curr.	1,490,547	1,456,453
Accts. payable	2,376,001	1,888,325
Accruals	83,.895	811,232
Dividends payable	74,426	74,426
Inc. taxes payable	70,014	67,055
Curr. Liabilities	$ 7,718,839	$ 7,588,509
Long-term debt	38,210,468	33,357,723
Minority interest	24,540	24,220
Other liabilities	616,154	377,050
Deferred credits	1,199,120	834,264
+ Preferred stock	200,200	200,200
+ + Special stock	635,676	635,676
+ + + Common stock	648,178	648,178
Add paid-in capital	9,064,238	9,064,238
Retained earnings (Deficit)	(3,776,797)	(4,125,768)
Total Liabilities & Shareholders' Equity	$ 54,540,616	$ 48,604,290

* Utility material and supply inventories at average cost, manufacturing inventories at lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $20 par value. Series A $1.20 cumulative convertible.
+ + $1 par value.
+ + + $1 par value.

Statistical Summary

% Net Income to Equity	9.73	6.89
Shareholders' Equity	$ 6,771,495	$ 6,422,524

UNR Industries, Inc.

(formerly Unarco Industries, Inc.)
332 South Michigan Avenue
Chicago, Illinois 60604
(312) 341-1234

Officers: David S. Leavitt, president & chief executive officer; Edwin E. Hokin, chairman of the board; Victor A. Lennon, v.p. & asst. to the president; Robert A. Hoagland, Jr., Sam Silverstein, v.p.'s; Robert J. Penn, v.p.-finance; Louis B. Guthmann, Jr., v.p., director of purchasing; David F. Starling, treasurer; Robert N. Grant, secretary; William C. McLaughlin, asst. secretary.

Directors: Edwin E. Hokin, chairman; James W. Alsdorf, Frank E. Bauder, Martin H. Dubulier, Edward W. Duffy, John P. Gallagher, Robert D. Judson, David S. Leavitt, Charles W. Lubin, Dwight Rohn, Sam Silverstein.

Areas of Work: Produces self-contained mobile units for on-site televising of special events. Manufactures towers for broadcasting and microwave systems for voice and data transmission. Also produces stainless steel sinks, outdoor grills, roller skates, outdoor furniture, accessories for industrial railroads, shopping carts and industrial shelving systems.

Subsidiaries:

Midwest Corporaton
Box 271
Charleston, West Virginia 25321
(304) 343-8874

Unarco-Rohn, Inc.

Telescart, Ltd.

UNR International, Inc.

Unarco Realty, Inc.

Midwest Steel Corporation

Midwest Telecommunications Corporation

Dart, Inc.

National Plastics, Inc.

Midwest Texas Corporation

Midwest International Corporation

Transfer Agent(s):

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Stock Exchange(s): New York

Ticker Symbol: UNR

Sales and Earnings

	Net Sales	Net Income
1980	$ 316,414,785	$ (4,420,763)
1979	332,226,439	7,592,916
1978	274,844,047	8,116,873
1977	183,152,689	5,626,586
1976	164,684,662	6,668,297

	No. of Com. Shares	Earn. per Share ‡
1980	3,687,378	$ —
1979	3,687,378	2.07
1978	3,668,253	2.24
1977	3,216,471	1.75
1976	2,738,972	2.08

(Loss)

‡ Based on the average number of common shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Industrial	$ 127,882	$ 156,374
Commercial	40,233	39,274
Consumer	46,798	43,070
Communicatons	62,516	51,707
Transportation	38,986	41,801
Total	$ 316,415	$ 332,226

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.0825	—	—
1979	0.85	—	—
1978	0.76	—	—
1977	0.675	—	—
1976	0.55	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 61,764,899	$16.75
1979	69,227,856	18.77
1978	64,562,245	17.60
1977	53,631,854	16.67
1976	50,129,388	18.30

Income Account *

Year Ended Dec. 31	1980	1979
Net sales	$ 316,414,785	$ 332,226,439
Cost of sales	256,027,619	265,524 656
Expenses	55,878,648	45,050,516
Interest expenses	12,894,281	8,096,351
Income (loss) before taxes	$ (8,385,763)	$ 13,554,916
Income taxes (credit)	(3,965,000)	5,962,000
Net Income (Loss)	$ (4,420,763)	$ 7,592,916

* Included in Costs and Expenses, Depreciation and Amortization:$6,922,445 in 1980 and $5,891,227 in1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 3,741,304	$ 4,198,374
Accts. & notes receiv., net	53,407,657	48,651,332
Income tax refund	3,960,039	—
* Inventories	95,615,443	106,225,473
Prepaid expenses	3,125,979	3,024,328
Current Assets	$ 159,850,422	$ 162,099,507
# Fixed assets	50,566,570	47,810,906
Other assets	6,782,030	5,262,556
Total Assets	$ 217,199,022	$ 215,172,969

Liabilities

Notes payable	$ 18,402,451	$ 44,500,000
Long-term debt, curr.	4,675,247	3,250,861
Accts. payable	54,774,225	30,564,172
Accrued expenses	17,245,201	14,953,122
Income taxes	—	1,302,627
Curr. Liabilities	$ 95,097,124	$ 94,570,782
Long-term debt	52,486,999	47,674,331
Other long-term liabilities	6,500,000	2,500,000
Deferred inc. taxes	1,350,000	1,200,000
+ Common stock	9,252,428	9,252,428
Add. paid-in capital	12,464,083	12,464,083
Retained earnings	40,117,485	47,580,442
Treasury stock	(69,097)	(69,097)
Total Liabilities & Shareholders' Equity	$ 217,199,022	$ 215,172,969

* Principally at LIFO.
# Less accumulated depreciation.
+ $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	4.08
%Net Income to Sales	—	2.29
%Net Income to Equity	—	10.97
Sales to Inventories	3.31	3.13
Working Capital	$ 64,753,298	$ 67,528,725
Current Ratio	1.68	1.71
Shareholders' Equity	$ 61,764,899	$ 69,227,856

U.S. Components, Inc.

35 Carlough Road
Bohemia, New York 11716
(516) 589-8080

Officers: Boris A. Jackson, chairman, president and treasurer; Stepan Nalbantian, vice president; Henry Nalbantian, secretary.

Directors: Boris A. Jackson, chairman; Stepan Nalbantian, Paul Hancock, Joseph Picone, Joseph B. Lamberta.

Areas of Work: Engages primarily in the manufacture of electronic connectors, which are applied in such fields as missiles, satellites, computers, teaching machines, medical electronics, airline jets, car radios, public address systems.

Subsidiaries:

USC Products, Inc.
Bohemia, New York
Produces precision formed metallic stampings and assemblies.

Transfer Agent(s):

Registrar and Transfer Co.
140 Cedar Street
New York, New York 10006

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income
1981	$ 3,232,887	$ 152,682
1980	2,639,112	173,351
1979	2,154,407	30,588
1978	1,725,033	(145,671)
1977	2,269,178	72,763

	No. of Com. Shares	Earn per Share
1981	300,000	$0.058
1980	294,087	0.577
1979	249,087	0.104
1978	296,567	—
1977	296,567	0.245

(Loss)

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 1,001,427	$3.34
1980	842,832	2.87
1979	669,481	2.28
1978	640,668	2.16
1977	786,338	2.65

Income Account *

Year ended April 30	1980	1979
Net sales	$ 2,639,112	$ 2,154,407
Cost of sales	1,693,944	1,326,344
Expenses	765,546	718,680
Oper. profit	$ 179,622	$ 109,383
Other income	3,048	34,051

Income before taxes	$	182,670	$	143,434
Income taxes		61,165		31,909
Inc.-cont.oper.	$	121,505	$	111,525
Inc.(loss)-dis. oper.		51,846		(80,937)
Net Income	$	173,351	$	30,588

* Included in Costs and Expenses Depreciation and Amoritzation: $68,691 in 1980 and $81,494 in 1979.

Assets

As of April 30		1980		1979
Cash	$	99,907	$	80,254
Accts. receiv. net		405,085		252,305
* Inventories		438,726		312,356
Prepaid expenses		12,717		18,957
Recov. income tax		—		21,364
Current Assets	$	956,435	$	685,236
# Fixed assets		1,037,451		1,319,762
Other assets		241,162		183,810
Total Assets	$	2,235,048	$	2,188,808

Liabilities

Notes payable	$	125,000	$	250,000
Long-term debt. curr.		29,818		31,138
Acct. payable		180,323		133,829
Accruals		151,584		91,346
Curr. Liabilities	$	486,725	$	506,313
Long-term debt		608,887		731,295
Deferred income		296,604		281,719
+ Common stock		30,000		30,000
Add paid-in capital		288,120		288,120
Retained earnings		525,303		351,952
Treasury stock		(591)		(591
Total Liabilities & Shareholders' Equity	$	2,235,048	$	2,188,808

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Net Income to Equity		20.57		4.57
Sales to Inventories		6.027		6.90
Working Capital	$	469,710	$	178,923
Current Ratio		1.97		1.35
Shareholders' Equity	$	842,832	$	669,481

UTL Corporation

4500 West Mockingbird Lane
Dallas, Texas 75209
(214) 350-7601

Officers: C.C. Lee, president & chief exec. officer; Paul Spero, sr. v.p.-operations; Shing Mao, v.p.-engineering; R.H. Lichtenstein, v.p.-administration; Bob W. Maupin, sr. v.p.-advanced development; John Benson, secretary & treasurer.

Directors: Jay R. Harris, Van A. Davidson, C.C. Lee, Robert McCulloch, H.L. Simpson.

Areas of Work: Develops and produces electronic warfare systems which monitor electronic signals originating in potentially hostile countries, predict hostile actions by these countries, and facilitate measures against any such actions.

Transfer Agent(s):

Texas American Bank
Dallas, Texas

Stock Exchange(s): Over-the-Counter

Ticker Symbol: UTLC (NASDAQ)

Number of Employees:

1980	236	1977	260
1979	228	1976	270
1978	250		

Plant Footage:

1980	90,000 sq.ft.	1977	72,000
1979	75,000	1976	71,000
1978	72,000		

Sales and Earnings

	Revenues	Net Income ‡
1980	$ 16,660,776	$ 912,923
1979	8,880,587	(810,751)
1978	10,338,249	330,745
1977	11,779,638	238,759
1976	11,087,212	795,287

	No. of Com. Shares +	Earn. per Share ‡ +
1980	1,747,717	$0.51
1979	1,683,395	—
1978	1,694,226	0.19
1977	1,681,828	0.14
1976	1,681,828	0.48

(Loss)
‡ Including extraordinary credits of $385,000 ($0.22 per share) in 1980, $161,000 (0.10 per share) in 1978, $100,000 ($0.06 per share) in 1977 and $378,000 ($0.23 per share) in 1976.
+ Based on the weighted average number of common share and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 2,678,131‡	$1.53
1979	1,582,704‡	0.94
1978	2,277,439‡	1.34
1977	1,847,316	1.10
1976	2,021,791	1.20

+ Based on the weighted average number of common shares and common share equivalents outstanding.
‡ After allowing for preferred stock at liquidation value.

Income Account *

Year ended June 30		1980		1979
Revenues	$	16,660,776	$	8,880,587
Contract costs		14,098,344		7,828,004
Expenses		1,602,969		1,688,599
Interest income		(103,570)		(79,136)
Interest expense		221,931		284,429
Other income		(71,821)		(30,558)
Income (loss) before taxes	$	912,923	$	(810,751)
Income taxes		385,000		—
Net Income (Loss)	$	527,923	$	(810,751)
Extraordinary gain		385,000		—
Net Income (Loss) & extraord. gain	$	912,923	$	(810,751)

* Included in Costs and Expenses, Depreciation and Amortization: $258,344 in 1980 and $219,228 in 1979.

Assets

As of June 30		1980		1979
Cash	$	102,114	$	88,911
Cert. of deposit		1,164,239		716,450
Receiv., net		1,899,114		1,212,104
Unbilled costs		1,480,539		2,089,111
Prepaid expenses		209,093		106,371
Current Assets	$	4,855,099	$	4,212,947
Investments & adv.		394,932		305,912
# Fixed assets		2,028,373		1,506,683
Other assets & defer. charges		35,262		39,052
Total Assets	$	7,313,666	$	6,064,594

Liabilities

Notes payable	$	—	$	716,950
Long-term debt. curr.		376,684		275,882
Accts. payable		1,782,387		1,419,843
Cust. advances		640,295		387,962
Accruals		389,894		351,437
Curr. Liabilities	$	3,189,260	$	3,152,074
Long-term debt		1,196,275		1,079,816
+ Preferred stock		250,000		250,000
+ + Common stock		849,176		842,113
Add. paid-in capital		4,321,645		4,291,069
Deficit		(2,481,440)		(3,370,363)
Treasury stock		(11,150)		(11,250)
Receiv. from employee plan		—		(168,865)
Total Liabilities & Shareholders' Equity	$	7,313,666	$	6,064,594

# Less accumulated depreciation and amortization.
+ No par value; $1.25 stated value, 9.6% cumulative.
+ + $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales		5.48		—
%Net Income to Revenues		3.17		—
%Net Income to Equity		18.03		—
Working Capital	$	1,665,839	$	1,060,873
Current Ratio		1.52		1.34
Shareholders' Equity	$	2,928,131	$	1,832,704

Varian Associates, Inc.

611 Hansen Way
Palo Alto, California 94303
(415) 493-4000

Officers: Edward L. Ginzton, chm. of the board; Thomas D. Sege, president & chief exec. officer; Edward J. Barlow, v.p.-research & development; Donal B. Duncan, v.p. & pres.-instrument group & information systems group; Elmo Sanders, v.p.-personnel; S. Frederick Eyestone, v.p. & president-international group; Larry L. Hansen, George W. O'Dair, exec. v.p.'s; Allen Lauer, v.p.-manufacturing; Theodore Moreno, v.p.-corporate; Donald A. Rutledge, v.p.-adm.; John J. Cooper, v.p., gen. counsel & secretary; Calvin A. Tabor, treasurer; Donald R. MacBlane, v.p. & controller; John M.V. Heldack, v.p.-corp. development & public affairs; Ralph Dane, v.p.-int'l development & Western Hemisphere Operations.

Directors: Edward L. Ginzton*, Robert L. Chambers, Donal B. Duncan, George W. O'Dair, EmielT. Nielson, Jr., David D. Ulmer, Clifford v. Heimbucher*, Edwin E. Huddleson, Jr.*, Joseph M. Pettit, H. Myrl Stearns*, Burt Raynes, Wm. F. Miller*, Thomas D. Sege, Kenneth J. Arrow.

*Member of Executive Committee.

Areas of Work: Manufactures microwave, power and specialty tubes, solid-state power supplies, communications transistors, SCR's, gas and liquid chromatographs, vacuum pumps and systems, surface instrumentation, medical and industrial linear accelerators, data systems; pulse transformers and leak detectors.

Divisions and Subsidiaries:

Electron Device Group

Palo Alto Microwave Tube Division
Palo Alto & Santa Clara, California
(415) 493-4000

Microwave tubes including klystrons, magnetrons, TWT's, TWT amplifiers and power supplies; power grid tubes; X-ray tubes; solid state amplifiers and oscillators; high power transistors; microwave subsystems, satellite communications transmitters.

Varian LSE Division
Palo Alto, California
(415) 493-4000

X-ray imaging tubes, night vision devices, photomultipliers, and microchannelplates.

Eimac Division
San Carlos, California
Salt Lake City, Utah
(415) 592-1211
Power grid tubes, ceramic/metal products, high intensity light sources, X-ray tubes.

Solid State Microwave Division
3251 Olcott
Santa Clara, California
(408) 988-1331
Palo Alto, California 94303
(415) 493-4000
Solid state oscillators and amplifiers, YIG-tuned devices, microwave semiconductors.

Microwave Components & Subsystems Division
317 Brokaw Road
Santa Clara, California 95050
(408) 985-1300
Power amplifiers and power supplies, microwave components, electro-magnets.

Beverly Division
Beverly, Massachusetts
(617) 922-6000
Magnetrons, cross-field amplifiers, modulators, solid state, microwave components, modulators, radar subsystems, receiver protectors.

Semicon Associates
P.O. Box 832
Lexington, Kentucky 40501
(606) 255-2446
Dispenser cathodes.

Communications Transistors Corp.
San Carlos, California
(415) 591-8921
High power, rf & microwave transistors.

EMI-Varian Ltd. (affiliate)
Hayes, England
Microwave tubes.

Instrument Group

Instrument Division
Palo Alto & Walnut Creek, California
(415) 493-4000
NMR and EPR spectrometers, UV/VIS spectrophotometers, gas and liquid chromatographs, magnet systems, and data systems.

Varian Techtron Pty. Ltd.
Melbourne, Australia
Atomic absorption spectrophotometers; UV/VIS spectrophotometers.

Medical Group

Radiation Division
Palo Alto, California
(415) 493-4000
Medical and radiographic linear accelerators.

Information Systems Group
Electrial Components Operations
National Electronics Division P.O.Box 269 Geneva, Illinois 60134 (312) 232-4300 Thyratrons, ignitrongs, silicon controlled rectifiers, gas readout tubes.

Benson-Varian (affiliate)
Mt. View, California
(415) 965-9900
Electrostatic printer/plotters.

Pulse Engineering
San Diego & Santa Clara, California;
Tijuana, Mexico; Tuam, Ireland
(714) 279-5900
Pulse transformers, delay lines, switching magnetics.

The Potter Company
942 Highway 51
Wesson, Mississippi 39191
(601) 643-2216
EMI/RFI filters; film capacitors.

International Group

Varian Canada, Inc.
Georgetown, Ontario, Canada
Reflex and millimeter wave klystrons, TWT's and magnetometers.

ANELVA Corporation (affiliate)
Tokyo, Japan
Analytical instruments, vacuum products.

Industrial Equipment Group

Palo Alto Vacuum Division
Palo Alto & Chula Vista, California; Florence, Kentucky
(415) 493-4000
Vacuum pumps, components, and systems, coating systems, molecular beam epitaxy systems.

Lexington Vacuum Division
Lexington, Massachusetts 02173
(617) 861-7200
Leak detectors, watering equipment, vacuum pumps, gauges.

Industrial Coating Operation
3100 Jay Street
Santa Clara, California 95051
(408) 727-0590
Ultrahigh vacuum components; large industrial coaters.

Extrion Division
Gloucester & Woburn, Massachusetts
(617) 281-2000
Ion implantation equipment; electron beam lithographic equipment.

Specialty Metals Division
Grove City, Ohio 43123
(614) 875-7912
Thin film coating materials.

Industrial Equipment Operation, Europe
Turin, Italy
Vacuum pumps, systems, components.

Transfer Agent(s):
The First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): New York, Pacific

Ticker Symbol: VAR

Number of Employees:

1980	14,000	1977	10,200
1979	12,900	1976	10,700
1978	11,400		

Plant Footage:

1980	3,749,000 sq. ft.	1977	3,100,000
1979	3,036,000	1976	3,100,000
1978	3,100,000		

Sales and Earnings

	Net Sales +	Net Income
1980	$ 620,900,000	$ 22,100,000
1979	493,000,000	8,600,000
1978	394,300,000	12,100,000
1977	348,900,000	12,400,000
1976	307,400,000	9,500,000

	No. of Com. Shares #	Earn. per Share #
1980	8,146,000	$2.77
1979	7,491,000	1.15
1978	7,466,000	1.62
1977	7,559,000	1.64
1976	7,352,000	1.29

+ Of continuing operations only.
# Based on the average number of shares outstanding.

Revenues By Line of Business

	1980	1979
Electron tubes	$ 254,000,000	$ 212,000,000
Analytical instruments	162,000,000	127,000,000
Industrial equipment	135,000,000	98,000,000
Medical equipment	55,000,000	36,000,000
Other	22,000,000	17,000,000
Adjust. & eliminations	(7,000,000)	3,000,000
Total	$ 621,000,000	$ 493,000,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.46	—	—
1979	0.40	—	—
1978	0.37	—	—
1977	0.26	—	—
1976	0.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 195,200,000	$25.00
1979	173,100,000	22.75
1978	163,800,000	22.26
1977	159,600,000	20.96
1976	147,300,000	19.75

Income Account *
(000's)

Year ended Sept. 30	1980	1979
Net sales	$ 620,863	$ 493,021
Cost of sales	406,444	328,479
Expenses	167,253	127,215
For. curr. trans. loss	1,140	949
Minority interest	(885)	(1,046)
Interest expense	15,368	9,514
Interest income	(1,547)	(1,363)
Income before taxes	$ 33,090	$ 29,273
Income taxes	11,910	10,538
Income from cont. oper.	$ 21,180	$ 18,735
Income (loss) from discont. operations	927	(10,155)
Net Income	$ 22,107	$ 8,580

* Included in Costs and Expenses, Depreciation: $10,957,000 in 1980 and $10,382,000 in 1979.

Assets
(000's)

As of Sept. 30	1980	1979
Cash & short-term invest.	$ 8,647	$ 9,246
Accts. receiv., net	141,837	121,621
* Inventories	216,700	155,464
Other	26,619	22,292
Current Assets	$ 393,803	$ 308,623
Long-term receiv.	2,519	3,171
Investments & advances	6,901	6,251
# Fixed assets	98,950	77,839
Defer. charges	12,449	12,248
Total Assets	$ 514,622	$ 408,132

Liabilities
(000's)

	1980	1979
Notes payable	$ 46,526	$ 31,500
Accts. payable & accruals	101,876	92,728
Income taxes	14,290	9,333
Prod. warranty	10,158	7,286
Adv. pay. from cust.	15,972	16,235
Curr. Liabilities	$ 188,822	$ 157,082
Long-term debt	114,420	66,176
Deferred inc. taxes & invest. tax credit	16,181	11,806
+ Common stock	7,807	7,673
Add. paid-in capital	63,411	60,803
Retained earnings	123,981	105,682
Treasury stock	—	(1,090)
Total Liabilities & Shareholders' Equity	$ 514,622	$ 408,132

* At lower of cost (LIFO or average) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Net Income to Equity	11.33	4.96
Sales to Inventories	2.87	3.17
Working Capital	$ 204,981,000	$ 151,541,000
Current Ratio	2.09	1.96
Shareholders' Equity	$ 195,199,000	$ 173,068,000

Varo, Inc.

2203 West Walnut Street
Post Office Box 401426
Garland, Texas 75040
(214) 272-1571

Officers: Samuel T. Yanagisawa, chairman, president & chief executive officer; Donald J. Guth, vice chairman; Stanley J. Sadlowski, vice president & chief oper. officer; Hubert E. Hocutt, v.p., secretary, treasurer & chief financial officer; William R. Mason, v.p.-corp. planning & develop.; Leo J. Eveleth, Jr., v.p. & chief personnel officer.

Directors: Donald J. Guth, Samuel T. Yanagisawa, Joseph V. Mariner, Jr., John W. Turner, Eugene L. Miller, Russell D. O'Neal, C.B. Sung.

Areas of Work: Designs and manufactures high voltage rectifiers, small, low cost bridge rectifiers, solid state rectifiers; night viewing equipment and components; high voltage power supplies; solid state frequency changers; inverters and converters: electronic aids for marine navigation and high precision metal optics.

Divisions:

Integrated Systems Division
2201 W. Walnut Street
P.O. Box 401267
Garland, Texas 75040
(214) 272-6511

Power Systems Division
555 North Fifth Street
P.O. Box 401267
Garland, Texas 75040
(214) 276-6141

Electronic Devices Divison
2203 W. Walnut Street
P.O. Box 401146
Garland, Texas 75040
(214) 272-3561

Subsidiaries:

Varo Semiconductor, Inc.
2800 West Kingsley
P.O. Box 40676
Garland, Texas 75040
(214) 271-8511

Acquisition(s):

Applied Optics Center
10 B Street
Burlington, Massachusetts
(617) 273-0309

Designs and produces precision metal optics and optic assemblies for defense, aerospace, and communications applications.

Navigation Communication Systems, Inc.
20100 Plummer Street
Chatsworth, California 91311
(213) 349-1250

Manufactures electronic aids for marine applications.

Transfer Agent(s):

Republic Bank of Dallas
Dallas, Texas

Stock Exchange(s): New York

Ticker Symbol: VRO

Number of Employees:

1980	2,003	1977	1,713
1979	1,892	1976	1,805
1978	1,807		

Plant Footage:

1980	475,000 sq. ft.	1977	470,000
1979	475,000	1976	426,400
1978	475,000		

Sales and Earnings

	Revenues	Oper. Net Income
1981	$ 83,283,000	$ 6,576,000
1980	94,203,000	6,561,000
1979	77,395,000	6,737,000
1978	79,114,000	9,765,000
1977	75,386,000	9,991,000

	No. of Com. Shares	Earn. per Share #
1981	4,471,762	$1.48
1980	4,454,702	1.47
1979	4,416,357	1.51
1978	4,354,842	2.19
1977	4,210,912	2.26

# Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1981	1980
Night vision prods.	$ 33,500	$ 43,100
Semiconductor prods.	31,000	39,800
Power conversion prods.	13,000	11,100
Weapons deliv. systems	8,800	5,900
Other	200	—
Elim. of Interseg. sales	(3,200)	(5,700)
	$ 83,300	$ 94,200

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$0.40	—	—
1980	0.40	—	—
1979	0.32	—	—
1978	0.33	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 50,315,000	$11.25
1980	44,539,000	10.00
1979	39,657,000	8.98
1978	33,496,000	7.69
1977	23,986,000	5.70

Income Account *
(000's)

Year ended April 30	1981	1980
Oper. revenues	$ 83,283	$ 94,203
Cost of sales & contracts	59,005	69,412
Expenses	14,457)	13,419
Interest income	(1,232)	(1,399)
Interest expense	230	233
Other expense	(166)	1,063
Income before taxes	10,989	$ 11,475
Income taxes	4,413	4,914
Net Income	$ 6,576	$ 6,561

* Included in Costs and Expenses, Depreciaton and Amortization: $1,731,000 in 1981 and $1,421,000 in 1980.

Assets
(000's)

As of April 30	1981	1980
Cash	$ 439	$ 785
Cert. of dep.	6,044	5,850
Receiv., net	15,812	13,582
* Inventories	25,030	27,006
Prepaid expenses	581	765
Deferred inc. taxes	854	550
Prepaid taxes	—	922
Current Assets	$ 48,760	$ 49,460
Other assets	4,134	—
# Fixed assets	17,177	14,239
Total Assets	$ 70,071	$ 63,699

Liabilities
(000's)

	1981	1980
Long-term debt, curr.	$ 123	$ 127
Accts. payable	5,217	4,870
Accruals	3,874	3,918
Advances	2,321	2,352
Income taxes	1,366	—
Curr. Liabilities	$ 12,901	$ 11,267
Long-term debt	209	280
Cap. lease oblig.	1,789	1,845
Deferred inc. taxes	3,359	3,816
Def. gain & credits	1,498	1,952
\+ Common stock	450	448
Add. paid-in capital	9,423	9,190
Retained earnings	41,207	36,414
Treasury stock	291	309
Stock Held in trust	—	675
Stock plan def. compens.	474	529
Total Liabilities & Shareholders' Equity	$ 70,071	$ 63,699

* At lower of average cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value

Statistical Summary

%Income bef. Taxes to Sales	13.19	12.18
%Net Income to Sales	7.90	6.96
%Net Income to Equity	13.07	14.73
Working Capital	$ 35,859,000	$ 38,193,000
Current Ratio	3.78	4.39
Shareholders' Equity	$ 50,315,000	$ 44,539,000

Veeco Instruments Inc.

515 Broad Hollow Road
Melville, new York 11747
(516) 694-4200

Officers: Albert Nerken, chairman of the board; Richard Projain, president & chief executive officer; Edward Braun, executive v.p.; Joshua A. Hauser, v.p.-operations, Lambda Power Supplies; Robert I. Beaver II, v.p.-operations, Industrial Equipment Div.; Allen E. Busching, vice president-adm. & treasurer; Merrill Simon, v.p.-marketing; David Lubart, secretary.

Directors: Albert Nerken, chairman; Richard Projain, Philip L. Defliese, David Lubart, Joseph Ponce, William R. Kuntz, Murray Rosenzweig.

Areas of Work: Manufactures high and ultra high vacuum systems and components, hybrid voltage regulators, monolithic voltage regulators, power transistors, power semiconductor products, transformers, and Lambda direct current (dc) regulated power supplies and power instruments for general electronic applications.

Divisions and Subsidiaries:

Lambda Electronics Division
515 Broad Hollow Road
Melville, New York 11747

Industrial Equipment Division
Terminal Drive
Plainview, New York 11803

Power Monolithics, Inc.
Corpus Christi, Texas 78410

VEECO Macronetics Inc.
Sunnyvale, California 94086

Veeco/Ai Inc.
Austin, Texas 78760

Macronetics Inc.
Sunnyvale, California 94086

Accelerators Inc.
Austin, Texas 78760

Veeco S.A.
Orsay, France

Veeco GmbH
Knorrstrasse 142
8000 Munich 45, West Germany

Lambda Electronique S.A.
Orsay, France

Veeco Instruments, Ltd.
High Wycombe, Bucks, England

Lambda Electronics
High Wycombe, Bucks, England

Lambda Electronica de Mexico, S.A.
Reynosa, Mexico

IsLAMBDA Electronics Ltd.
Tel Aviv, Israel

Veeco Lambda Ltd.
100 C. Hymus Boulevard
Pointe-Claire
Quebec 730, Canada

Lambda Netzgerate GmbH
Achern, Germany

NEMIC-Lambda K.K. (60% interest)
Tokyo, Japan

Lambda Electronics Ltd.
Carmiel, Israel

NEMIC-Lambda (Singapore) Pte. Ltd.
Singapore

Transfer Agent(s):

The Chase Manhattan Bank
New York, New York

Stock Exchange(s): American

Ticker Symbol: VEE

Sales and Earnings *

	Net Sales	Net Income
1980	$ 105,247,000	$ 10,683,000
1979	86,854,000	9,654,000
1978	64,331,000	7,415,000
1977	47,967,000	4,945,000
1976	38,349,000	2,282,000

	No. of Com. Shares †	Earn. per Share #
1980	6,410,326	$1.68
1979	6,331,726	1.53
1978	6,321,526	1.18

* Restated to include operations acquired on a pooling of interests basis.
† Adjusted to reflect stock splits.
# Based on weighted average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1980	1979
Power supply	$ 65,542,000	$ 56,740,000
Semiconductor +	9,485,000	8,087,000
Vacuum	30,220,000	22,027,000
Total	$ 105,247,000	$ 86,854,000

+ Net of intersegment sales.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$0.30	—	2-for-1
1979	0.25	—	—
1978	0.19	—	3-for-2
1977	0.095	—	3-for-2
1976	0.07	—	—

‡ Adjusted to reflect stock splits.

Common Stock Equity †

	Total Equity	Equity Per Share ‡
1980	$ 46,662,000	$7.28
1979	37,696,000	5.95
1978	29,505,000	4.67

† Restated to reflect operations of companies acquired on a pooling of interests basis.
‡ Adjusted to reflect stock splits.

Income Account *

Year ended Sept. 30	1980	1979‡
Net sales	$ 105,247,000	$ 86,854,000
Cost of sales	55,480,000	45,010,000
Expenses	22,742,000	19,939,000
Research & develop.	4,157,000	3,415,000
Other expense (income)	130,000	(404,000)
Interest expense	1,190,000	542,000
Income before taxes	$ 21,548,000	$ 18,352,000
Income taxes	10,865,000	8,698,000
Net Income	$ 10,683,000	$ 9,654,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,983,000 in 1980 and $1,622,000 in 1979.
‡ Restated to include operations of companies acquired on a pooling of interests basis.

Assets

As of Sept. 30	1980	1979‡
Cash	$ 5,694,000	$ 4,558,000
Accts. receiv., net	23,026,000	19,774,000
* Inventories	31,883,000	21,562,000
Prepaid expenses	1,172,000	943,000
Current Assets	$ 61,775,000	$ 46,837,000
# Fixed assets	17,836,000	14,410,000
Other assets	555,000	647,000
Intangibles	3,125,000	1,486,000
Total Assets	$ 83,291,000	$ 63,380,000

Liabilities

	1980	1979‡
Notes payable	$ 5,033,000	$ 572,000
Long-term debt, curr.	1,127,000	1,038,000
Accts. payable	9,591,000	7,253,000
Accruals	6,081,000	7,309,000
Income taxes	4,943,000	2,754,000
Curr. Liabilities	$ 26,775,000	$ 18,926,000
Long-term debt	7,600,000	4,762,000
Deferred taxes & credits	1,446,000	1,255,000
Minority interest	808,000	711,000
+ Common stock	6,410,000	3,166,000
Add. paid-in capital	49,000	2,619,000
Retained earnings	40,203,000	31,911,000
Total Liabilities & Shareholders' Equity	$ 83,291,000	$ 63,380,000

* At lower of cost (FIFO and average) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.
‡ Restated to include operations of companies acquired on a pooling of interests basis.

Statistical Summary

%Income bef. Taxes to Sales	20.47	21.13
%Net Income to Sales	10.15	11.12
%Net Income to Equity	22.89	25.61
Sales to Inventories	3.30	4.03
Working Capital	$ 35,000,000	$ 27,911,000
Current Ratio	2.31	2.47
Shareholders' Equity	$ 46,662,000	$ 37,696,000

Vermont Research Corporation

Precision Park
North Springfield, Vermont 05150
(802) 886-2256

Officers: Hugh M. Taft, president & treasurer; Richard A. Stover, executive vice president; Edward D. Winkler, Jr., controller; John G. Kristensen, clerk; William Austin III, sales mgr.

Directors: Hugh M. Taft, Richard A. Stover, J. Franklin Jones, Jr., John G. Moody, Stuart J. Lock.

Areas of Work: Engaged in the development, design and manufacture of drums, discs and other basic memory devices for the computer industry.

Subsidiaries:

Vermont Research Limited
Cleeve Road
Leatherhead, Surrey, England 76221

Vermont Research International Sales Corp.
Precision Park
Noth Springfield, Vermont 05150
(802) 886-2256

Transfer Agent(s):

The First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): American

Ticker Symbol: VRE

Number of Employees:

1980	273	1977	165
1979	183	1976	125
1978	183		

Plant Footage:

1980	58,000 sq. ft.	1977	58,000
1979	58,000	1976	58,000
1978	58,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 16,085,000	$ 2,796,000
1979	10,187,000	1,515,000
1978	6,453,404	476,574
1977	4,967,401	636,341
1976	3,672,803	(525,220)

	No. of Com. Shares †	Earn. per Share # ‡
1980	1,852,822	$1.51
1979	1,833,540	0.84
1978	1,800,774	0.27
1977	1,800,774	0.35
1976	1,800,774	—

(Loss)

‡ Including extraordinary credits of $9,203 ($0.01 per share) in 1978 and $252,000 ($0.14 per share) in 1977.

† Adjusted to reflect stock splits.

# Based on average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.10	—	2-for-1
1979	0.06	—	5-for-4
1978	0.04	—	—
1977	—	—	—
1976	0.01	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 6,322,000	$3.41
1979	3,655,000	2.03
1978	2,204,460	1.22
1977	1,799,917	1.00
1976	1,163,576	0.65

‡ Adjusted to reflect stock splits.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 16,085,000	$ 10,187,000
Cost of sales	7,519,000	4,986,000
Expenses	3,615,000	2,586,000
Interest expense	115,000	141,000
Other income	(136,000)	(4,000)
Income before taxes	$ 4,972,000	$ 2,478,000
Income taxes	2,176,000	963,000
Net Income	$ 2,796,000	$ 1,515,000

* Included in Costs and Expenses, Depreciation: $193,000 in 1980 and $176,000 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 2,072,000	$ 984,000
Accts. receiv., net	3,129,000	2,865,000
* Inventories	3,876,000	2,381,000
Prepaid taxes	138,000	47,000
Current Assets	$ 9,215,000	$ 6,277,000
# Fixed assets	1,364,000	1,139,000
Other assets	35,000	39,000
Total Assets	$ 10,614,000	$ 7,455,000

Liabilities

Long-term debt, curr.	$ 158,000	$ 144,000
Accts. payable	778,000	717,000
Accrued payroll	711,000	409,000
Other accruals	161,000	109,000
Income taxes	1,426,000	1,173,000
Deferred inc. taxes	131,000	164,000
Curr. Liabilities	$ 3,365,000	$ 2,716,000
Long-term debt	927,000	1,084,000
+ Common stock	926,000	462,000
Add. paid-in capital	—	304,000
Retained earnings	5,396,000	2,893,000
Treasury stock	—	(4,000)
Total Liabilities & Shareholders' Equity	$ 10,614,000	$ 7,455,000

* At lower of cost (FIFO) or market.

# Less accumulated depreciation.

+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	30.91	24.33
%Net Income to Sales	17.38	14.87
%Net Income to Equity	44.23	41.45
Sales to Inventories	4.15	4.28
Working Capital	$ 5,850,000	$ 3,561,000
Current Ratio	2.74	2.31
Shareholders' Equity	$ 6,322,000	$ 3,655,000

Vernitron Corporation

2001 Marcus Avenue
Lake Success, New York 11042
(516) 775-8200

Officers: Herman S. Nathanson, chairman of the board, president & chief executive officer; Bernard Levine, vice chairman of the board, chairman of the executive committee & chief finacial officer; Albert Diamond, exec. vice president & chief operating officer; Benjamin Kittner, vice president; Benjamin K. Sachs, vice president & secretary; Michael J. Goldman, treasurer & controller; Daniel A. Nathanson, corp. planner.

Directors: Herman S. Nathanson*, chairman; Bernard Levine*, Albert Diamond*, Benjamin Kittner, Benjamin K. Sacks, Jack D. Morrison, Richard H. Weisinger.

*Member of Executive Committee.

Divisions:

Control Components Division
1601 Precision Park Lane
San Diego, California 92073
(714) 428-5581

Synchros, resolvers, gyro pick-offs, remote indicators, and indicator assemblies.

Vernitech Division
300 Marcus Boulevard
Deer Park, NewYork 11729
(516) 586-5100

Solid state signal converters, digital encoders, and servo motors for use in robotics and office equipment and potentiometers.

Magnetic Technology Division
21001 Kittridge Street
Canoga Park, California 91303
(213) 887-7700

Direct drive DC motors and tachometers.

Piezoelectric Division
232 Forbes Road
Bedford, Ohio 44146
(216) 232-8600

Piezoelectric ignition devices, transducers, sensors, precision electronic filters.

Beau Products Divsion
P.O. Box 10
Laconia, New Hampshire 03246
(603) 524-5101

Electrical connectors and terminal strips.

Lifemed Division
2107 Del Amo Boulevard
Compton, California 90210
(213) 638-6167

Supplies a line of artificial kidney machines as well as the disposable coils and blood sets used in dialysis treatments; vascular access devices.

Ped-O-Jet International
Carlstadt, New Jersey

Maufacture and marketing of jet injection apparatus for the mass inoculation market.

Subsidiaries:

Lafayette Grinding Corporation
115 Banker Street
Brooklyn, New York 11222
(212) 388-5973

Precision metal grinding.

Lafayette Saw and Knife Corporation
292 North Henry Street
Brooklyn, New York 11222
(212) 383-4545

Manufaturer of paper cutting knives, carbide tipped saw blades, metal slitting knives and cutting tools.

AIE Division
Nashville, Tennessee
Smithville, Tennessee

Manufactures transformers, inductors, and LC filters for the telecommunications military, data processing and office products industries.

American Medical Instrument Corporation
133-14 39th Avenue
Flushing, New York 11354
(212) 359-3220

Medical and surgical instruments.

AST/Servo Systems, Inc.
930 Broadway
Newark, New Jersey 07104
(201) 484-4233

A major distributor of ball bearings.

20 Republic Road
North Billerica, Massachusetts 01862

Engaged in the distribution of ball bearings, electromechanical components, assemblies, and test equipment for industrial, educational, and aerospace applications

Vernitron Limited
Southampton, England

VRN International
P.O. Box 44000
St. Petersburg, Florida 33743
(813) 347-2181

Produces cermet and wirewound trimmer potentiometers and precision single turn and multi-turn wirewound potentiometers.

Better Built Machinery Corporation
Carlstadt & Manasquan, New Jersey

Produces and markets industrial quality washers, dryers, aspirators and sterilizers, primarily for use in hospitals and laboratories.

Brevel Motors
Carlstadt, New Jersey
Scarborough, Ontario
Southampton, England

Manufactures small electric motors.

Transfer Agent(s):

Chemical Bank
55 Water Street
New York, New York 10041

Stock Exchange(s): American, Pacific

Ticker Symbol: VRN

Sales and Earnings

	Net Sales +	Net Income
1980	$ 125,325,000	$ 7,432,000
1979	91,859,836	5,689,887
1978	71,453,259	4,068,492
1977	63,042,993	3,514,866
1976	47,429,737	2,800,806

	No. of Com. Shares †	Earn. per Share ‡
1980	5,446,584	$1.34
1979	5,376,555	1.04
1978	5,383,942	0.76
1977	5,004,944	0.65
1976	5,372,132	0.51

+ Of continuing operations only.

† Adjusted to reflect stock split.

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.08	—	5-for-4
1979	0.08	—	—
1978	0.04	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 39,280,000	$7.21
1979	31,463,150	5.85
1978	26,300,594	4.89
1977	20,624,699	4.12

† Adjusted to reflect stock split.

Income Account *

Year ended	12/27/80	12/29/79
Net sales	$ 125,325,000	$ 91,859,836
Cost of sales	89,188,000	66,204,274
Expenses	21,066,000	15,924,592
Interest expense	1,931,000	1,971,642
Other income	(992,000)	(1,810,014)
Income before taxes	$ 14,132,000	$ 9,569,342
Income taxes	6,700,000	4,540,000
Income from cont. oper.	$ 7,432,000	$ 5,029,342
Income from discont. oper.	—	660,545
Net Income	$ 7,432,000	$ 5,689,887

* Included in Costs and Expenses, Depreciation and Amortization: $2,450,000 in 1980 and $2,028,179 in 1979.

Assets

As of	12/27/80	12/29/79
Cash	$ 5,426,000	$ 8,059,130
Accts. receiv., net	20,713,000	16,229,753
* Inventories	33,747,000	27,051,236
Prepaid expenses	238,000	329,883
Current Assets	$ 60,124,000	$ 51,670,002
# Fixed assets	16,690,000	15,470,369
Other assets	2,995,000	2,411,474
Total Assets	$ 79,809,000	$ 69,551,845

Liabilities

Long-term debt, curr.	$ 918,000	$ 906,220
Accts. payable	5,405,000	4,338,978
Accruals	11,289,000	8,63,571
Income taxes	3,345,000	2,889,240
Curr. Liabilities	$ 20,957,000	$ 16,772,009
Long-term debt	19,572,000	21,316,686
+ Class B common stock	25,000	20,000
+ Common Stock	545,000	430,715
Add. paid-in capital	13,854,000	13,155,847
Retained earnings	24,902,000	17,902,508
Treasury stock	(46,000)	(45,920)
Total Liabilities & Shareholders' Equity	$ 79,809,000	$ 69,551,845

* At lower of cost (FIFO or average) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Net Income to Equity	18.92	18.08
Sales to Inventories	3.71	3.40
Working Capital	$ 39,167,000	$ 34,897,993
Current Ratio	2.87	3.08
Shareholders' Equity	$ 39,280,000	$ 31,463,150

Vicon Industries, Inc.

125 East Bethpage Road
Plainview, New York 11803
(516) 293-2200

Officers: Donald N. Horn, president & chief executive officer; Arthur V. Wallace, executive v.p.; John H. Cobb, v.p.-mfg.; Arthur C. Berman, secretary; Kenneth M. Darby, treasurer.

Directors: Donald N. Horn, Arthur C. Berman, Arthur V. Wallace, Frederick Hainfield, Jr.; John T. Sheehy.

Areas of Work: Designs and manufactures closed circuit television equipment for the security and surveillance market. Principal products consist of pan and tilt drives and scanners, video switchers and controls, housings and enclosures, mounting accessories, consoles and lenses.

Transfer Agent(s):

American Transfer Company
44 Beaver Street
New York, New York 10004

Stock Exchange(s): American

Ticker Symbol: VII

Number of Employees:

1980	325	1977	190
1979	350	1976	180
1978	232		

Plant Footage:

1980	70,000 sq. ft.	1977	40,000
1979	70,000	1976	28,000
1978	40,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 17,838,631	$ 1,184,858
1979	13,774,745	735,781
1978	10,052,024	447,792
1977	7,554,446	424,893
1976	5,694,758	345,584

	No. of Com. Share +	Earn. per Share +
1980	871,284	$1.36
1979	679,280	1.08
1978	663,018	0.68
1977	664,077	0.64
1976	718,917	0.48

+ Based on the weighted average number of shares outstanding and equivalent shares from dilutive stock options adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 8,286,501	$9.51
1979	3,094,021	4.55
1978	2,331,344	3.52
1977	1,861,177	2.80
1976	1,475,471	2.05

‡ Based on the weighted average number of shares outstanding and equivalent shares from dilutive stock options adjusted to reflect stock dividend.

Year ended Sept. 30	1980	1979
Net sales	17,838,631	13,774,745
Cost of sales	12,597,053	9,900,374
Expenses	3,191,083	2,417,962
Interest expense	160,471	225,628
Interest income	(209,834)	—
Income before taxes	$ 2,099,858	$ 1,230,781
Income taxes	915,000	495,000
Net Income	$ 1,184,858	$ 735,781

* Included in Costs and expenses, Depreciaton and Amortization: 189,071 in 1980 and $125,681 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 114,294	$ 78,227
Certificate of deposit	2,000,000	—
Notes receivable	167,480	18,650
Accts. receiv., net	2,940,341	2,615,940
*Inventories	4,827,282	3,623,977
Prepaid expenses	101,344	78,585
Current Assets	$ 10,150,741	$ 6,415,379
# Fixed assets	2,300,062	1,288,749
Other assets	11,014	16,519
Total Assets	$ 12,461,817	$ 7,720,647

Liabilities

Notes payable	$ 200,000	$ —
Long-term debt, curr.	118,861	162,041
Accts. payable	1,477,650	1,537,185
Accruals	486,657	340,388
Income taxes	577,036	273,107
Curr. Liabilities	$ 2,860,204	$ 2,312,721
Long-term debt	1,201,199	2,254,992
Deferred income taxes	113,913	58,913
+ Common stock	9,994	6,553
Add. paid in capital	5,089,184	1,085,003
Retained earnings	3,187,323	2,002,465
Total Liabilities & Shareholders' Equity	$ 12,461,817	$ 7,720,647

* At lower of cost (moving average which approximates FIFO or market.)
# Less accumulated depreciaton and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.77	8.94
%Net Income to Sales	6.64	5.34
%Net Income to Equity	14.30	23.78
Sales to Inventories	3.70	3.80
Working Capital	$ 7,290,537	$ 4,102,658
Current Ratio	3.55	2.77
Shareholders' Equity	$ 8,286,501	$ 3,094,021

Vishay Intertechnology, Inc.

63 Lincoln Highway
Malvern, Pennsylvania 19355
(215) 644-1300

Officers: Felix Zandman, president & chief executive officer; Robert A. Freece, v.p., treasurer & chief financial officer; Moshe Shamir, v.p.; William J. Spires, v.p.-industrial relations; Richard N. Grubb, asst. treasurer.

Directors: Alfred P. Slaner, chairman; Felix Zandman, Robert A. Freece, Jack Hirsh, Milton N. Scofield, Gerald N. Frank, Edward B. Shils.

Areas of Work: Produces precision resistors and resistive devices, strain gages, electronic equipment to read and record the output of strain gages and strain gage transducers, services and equipment in visual and optical measurement sciences for the stress analysis field, with applications in dentistry, and technical teaching aids to colleges, technical schools, and industrial training institutes. Also utilizes the science of optical measurement in the dental field.

Vishay Intertechnology, Inc.

Divisions and Subsidiaries:

Resistive Systems Group

Resistive Systems Group Hq.
63 Lincoln Highway
Malvern, Pennsylvania 19355

Vishay Resistor Products
501 East Jamie Street
La Habra, California 90631

Vishay-Israel, Limited
2 Haofan Street
Holon, Israel

Vishay Resistor Products (U.K.) Ltd.
Headlands Grove
Swindon, England

Vishay Micro-Mesures S.A.
98 Boulevard Gabriel Peri
92240 Malakoff, France

Nippon Vishay (K.K.)
Machimoku Bldg.
Tokyo, 194, Japan

Measurements Group

Measurements Group Hq.
U.S. Highway 64
Wendell, North Carolina 27611

Micro-Measurements Division

Vishay Instruments Division

Photolastic, Inc.

Vishay Research and Education Division
U.S. Highway 64
Wendell, North Carolina 27611

Micro-Measurements Division
38905 Chase Road
Romulus, Michigan 48174

Vishay Micro-Measurements GmbH
8032 Lochham
Am Lochhamer Schlag 6
Munchen, West Germany

Vishay Micro-Mesures S.A.
98 Boulevard Gabriel Peri
92240 Malakoff, France

Medical Systems Group

Medical Systems Group Hq.
63 Lincoln Highway
Malvern, Pennsylvania 19355

Transfer Agent(s):

Girard Bank
Philadelphia, Pennsylvania

Stock Exchange(s): American

Ticker Symbol: VSH

Number of Employees:

1980	1,400	1977	1,100
1979	1,250	1976	800
1978	1,250		

Sales and Earnings

	Net Sales #	Net Income +
1980	$ 37,100,610	$ 608,530
1979	30,408,229	3,007,636
1978	24,667,001	1,967,466
1977	20,074,130	1,046,532
1976	16,624,966	1,026,241

	No. of Com. Shares †	Earn. per Share ‡ +
1980	2,541,927	$0.24
1979	2,451,927	1.26
1978	2,254,381	0.83
1977	2,254,381	0.44
1976	2,254,381	0.43

# Of continuing operations only.
+ Including extraodinary loss of $2,639,000 ($1.04 per share) in 1980.
† Adjusted to reflect stock dividend.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	5%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 16,942,164	$6.67
1979	16,341,858	6.43
1978	11,793,065	5.23
1977	9,819,251	4.36

‡ Adjusted to reflect stock dividend

Income Account *

Year ended June 30	1980	1979
Net sales	$ 37,100,610	$ 30,408,229
Cost of sales	20,271,179	15,139,438
Expenses	12,862,664	10,493,338
Other expenses (income)	(403,823)	82,851
Income before taxes	$ 4,370,590	$ 4,692,602
Income taxes	1,123,060	1,684,966
Net Income	$ 3,247,530	$ 3,007,636
Extraord. loss	2,639,000	—
Net Income & Extraord. loss	$ 608,530	$ 3,007,636

* Included in Costs and Expenses, Depreciation and Amortization: $1,383,605 in 1980 and $894,791 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 1,282,097	$ 569,117
Marketable securities	1,974,468	1,858,730
Foreign govt. loan	110,002	322,676
Acct. receiv., net	7,622,724	6,540,059
* Inventories	12,702,367	9,202,544
Refund income taxes	988,061	—
Prepaid expenses & other assets	889,504	404,379
Current Assets	$ 25,569,223	$ 18,897,505
# Fixed assets	13,017,253	11,107,127
Other assets	1,184,859	1,216,103
Total Assets	$ 39,771,335	$ 31,220,735

Liabilities

Notes payable	$ 7,259,998	$ 5,079,504
Long-term debt, curr.	199,723	199,331
Accts. payable	1,393,389	1,396,430
Litigation settlement	993,922	—
Communications & royalties payable	476,432	450,655
Payroll & other accrued expenses	2,254,799	1,599,170
Income taxes	156,577	397,828
Capital lease oblig. curr.	273,982	296,143
Curr. Liabilities	$ 13,008,822	$ 9,419,061
Long-term debt	8,337,413	3,596,148
Capital lease oblig.	846,681	920,657
Deferred compensation	636,255	943,011
+ Common stock	254,193	242,088
Add. paid-in capital	7,132,278	5,851,379
Retained earnings	9,555,693	10,248,391
Total Liabilities & Shareholders' Equity	$ 39,771,335	$ 31,220,735

* At lower of standard production cost or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income before Taxes to Sales	11.78	15.43
%Net Income to Sales	8.75	9.89
%Net Income to Equity	19.17	18.40
Sales to Inventories	2.92	3.30
Working Capital	$ 12,560,401	$ 9,478,444
Current Ratio	1.97	2.01
Shareholders' Equity	$ 16,942,164	$ 16,341,858

Visual Sciences, Inc.

900 Walt Whitman Road
Huntington Station, New York 11746
(516) 549-4040

Officers: Denis A. Krusos, chairman of the board; Frank J. DiSanto, president; Walter J. Scherr, exec. v.p. & treasurer; Patrick J. Gallagher, secretary.

Directors: Frank J. DiSanto, Patrick J. Gallagher, Denis A. Krusos, Jerry Georges, Walter J. Scherr, Thomas E. Kuhnen.

Areas of Work: Engaged in the co-design, development, manufacture, marketing and servicing of office facsimile equipment in conjunction with three other companies.

Subsidiaries:

Visual Sciences International, Ltd.
Hamilton, Bermuda

M.G.V.S. International Ltd.
Hamilton, Bermuda

M.G.V.S. (Fax Communications) Company Limited
London, England

Joint Venture:

Panafax Corporation
185 Froehlich Farm Boulevard
Woodbury, New York 11797
Produces, sells and servies facsimile transceivers.

Transfer Agent(s):

Citibank, N.A.
111 Wall Street
New York, New York 10005

Stock Exchange(s): Over-the-Counter

Ticker Symbol: VSCIC (NASDAQ)

Sales and Earnings

	Net Sales	Net Income +
1980	$ 14,247,493	$ (1,443,084)
1979	10,986,910	273,876
1978	6,805,647	(1,817,431)
1977	476,115	(1,883,030)
1976	4,724,287	(180,158)

	No. of Com. Shares ‡	Earn per Share ‡ +
1980	1,705,969	$ —
1979	1,775,380	0.15
1978	1,483,890	—
1977	1,483,640	—
1976	1,483,223	—

(Loss)
‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock dividend.
+ Including extraordinary gains of $135,000 ($0.08 per share) in 1980 and $33,000 ($0.02 per share) in 1976.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	—
1978	—	—	—
1977	—	—	—
1976	—	5%	—

Income Account *

Year ended Oct 31	1980	1979
Net sales	$ 14,247,493	$ 10,986,910
Cost of sales	10,936,521	8,357,417
Expenses	2,607,697	2,198,646
Interest expense	195,099	153,971
Reduction in value of invest.	177,260	—
Income before taxes	$ 330,916	$ 276,876
Income taxes	145,000	3,000
Eq. in loss of Panafax Corp.	1,764,000	—
Net Income (Loss)	$ (1,578,084)	$ 273,876
Extraord. gain	135,000	—
Net Income (Loss) & Extraord. gain	$ (1,443,084)	$ 273,876

* Included in Costs and Expenses, Depreciation and Amortization: $84,855 in 1980 and $85,562 in 1979.

Assets

As of Oct. 31	1980	1979
Cash	$ 1,275,553	$ 2,332,770
Receiv., net	988,695	1,746,001
* Inventories	715,657	314,784
Prepaid expenses	182,557	120,838
Current Assets	$ 3,162,462	$ 4,514,393
Investments	45,000	222,260
Defer. charges & other assets	625,681	373,235
Total Assets	$ 3,833,143	$ 5,109,888

Liabilities

	1980	1979
Short-term bank debt	$ 758,759	$ 704,751
Accts. payable	812,607	739,872
Accruals	166,100	166,177
Curr. Liabilities	$ 1,737,466	$ 1,610,800
Subord. debt	2,231,700	2,171,700
Deferred comp. credits	489,000	525,000
+ Common stock	17,092	17,055
Add paid-in capital	8,309,768	8,294,132
Deficit	(8,951,883)	(7,508,799)
Total Liabilities & Shareholders' Equity	$ 3,833,143	$ 5,109,888

* At lower of cost (FIFO) or market.
+ $0.01 par value.

Statistical Summary

	1980	1979
Sales to Inventories	19.91	34.90
Working Capital	$ 1,424,996	$ 2,903,593
Current Ratio	1.82	3.36
Shareholders' Equity (Deficency)	$ (625,023)	$ 802,388

Vitramon, Incorporated

Roue 25
Monroe, Connecticut 06468
(203) 268-6261

Mailing address:

P.O. Box 544
Bridgeport, Connecticut 06601

Officers: Barton L. Weller, president and chairman of the board; Robert H. Paquette, v.p.-finance & treasurer; David R. Chipman, secretary and general counsel; Robert N. Shepard, v.p.-mfg. & engineering; Patricia A. Drake, asst. secretary.

Directors: Barton L. Weller, chairman; Earle A. Hallstrom, William H. Parr, David B. Morgan, Jr., Howard L. Richardson, Richard J. Broderick.

Areas of Work: Engaged in the manufacture of inorganic monolithic capacitors for the electronics industry in the United States and abroad. Products are classified in three major categories; porcelain, ceramic and chip capacitors. These components are basic elements in all electronic equipment - including communications, computers, instruments, wrist watches, heart pacemakers and mobile radios. They consist of layers of dielectric material (porcelain or ceramic) and electrodes (metal plates) that form a monolithic body when fused in furnances.

Subsidiaries:

Vitramon North America
P.O. Box 544
Bridgeport, Connecticut 06601

Vitramon Limited
Wycombe Lane
Wooburn Green
Bucks, England

Vitramon Pty. Limited
P.O. Box 140
Rockdale, N.S.W., 2216
Australia

Vitramon Japan Limited
Nihon Igaku Bldg. 302
1-2-13 Tamagawa Setagaya-ku
Tokyo 158, Japan

Vitramon do Brasil Ltda.
Caixa Postal 19127
01000 Sao Paulo
Brazil

Vitramon GmbH
7150 Backnang-Waldrems
West Germany

Vitramon France S.A.R.L.
1, rue Felix-Eboue
94021 Creteil l'Echat
France

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): Over-the-Counter

Ticker Symbol: VITK (NASDAQ)

Number of Employees:

1980	613	1977	601
1979	640	1976	442
1978	629		

Plant Footage:

1980	123,000 sq. ft.	1977	116,000
1979	116,000	1976	68,000
1978	116,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 20,459,846	$ 1,388,520
1979	19,726,499	1,536,253
1978	15,078,613	878,148
1977*	12,430,985	1,218,885
1976	8,793,109	703,740

	No. of Com. Shares +	Earn. per Share +
1980	1,495,294	$0.93
1979	1,444,250	1.06
1978	1,451,506	0.60
1977	1,408,780	0.87
1976	1,371,266	0.51

* 53 weeks.
+ Based on the average number of shares outstanding adjusted to reflect stock diviends.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$ —	5% & 10%‡	—
1979	0.082	5% & 5%†	—
1978	0.075	5%	—
1977	0.071	5%	—
1976	0.068	5%	—

+ Adjusted to reflect stock dividends.
† Paid Feb., 1980.
‡ Paid Feb., 1981.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 9,824,240	$6.87
1979	8,346,956	5.93
1978	6,882,640	4.94
1977	6,048,062	4.41
1976	4,929,049	3.60

‡ Adjusted to reflect stock dividends.

Income Account *

Year ended	12/27/80	12/29/79
Net sales	$ 20,459,846	$ 19,726,499
Cost of sales	13,126,171	11,435,171
Expenses	5,570,129	5,089,144
Interest expense	249,112	224,658
For. curr. exch.	(199,770)	(85,817)
Income before taxes	$ 1,714,204	$ 3,063,343
Income taxes	325,684	1,527,090
Net Income	$ 1,388,520	$ 1,536,253

* Included in Costs and Expenses, Depreciation and Amortization: $657,328 in 1980 and $528,750 in 1979.

Assets

As of	12/27/80	12/29/79
Cash & temp. invest.	$ 348,216	$ 349,728
Accts. receiv., net	3,124,277	3,410,151
Tax refunds receiv.	242,984	—
* Inventories	4,964,863	4,905,814
Future inc. tax benefits	290,223	232,157
Prepaid expenses	190,678	168,317
Current Assets	$ 9,161,241	$ 9,066,167
Investments & other assets	946,621	768,949
# Fixed assets	5,974,085	3,756,704
Total Assets	$ 16,081,947	$ 13,591,820

Liabilities

	12/27/80	12/29/79
Long-term debt, curr.	$ 1,829,196	$ 1,060,719
Accts. payable	1,483,645	1,107,014
Accruals	874,559	1,082,848
Income taxes	343,861	1,093,474
Dividends payable	—	116,075
Curr. Liabilities	$ 4,531,261	$ 4,460,130
Mortg. pay.	1,063,475	—
Deferred liab.	662,971	784,734
+ Common stock	143,004	121,821
Add. paid-in capital	5,865,425	3,826,619
Retained earnings	3,815,811	4,398,516
Total Liabilities & Shareholders' Equity	$ 16,081,947	$ 13,591,820

* At production or purchase cost (FIFO) or market, whichever is lower.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.38	15.53
%Net Income to Sales	6.79	7.79
%Net Income to Equity	14.13	18.40
Sales to Inventories	4.12	4.02
Working Capital	$ 4,629,980	$ 4,606,037
Current Ratio	2.02	2.03
Shareholders' Equity	$ 9,824,240	$ 8,346,956

Wang Laboratories, Inc.

One Industrial Avenue
Lowell, Massachusetts 01851
(617) 851-4111

Officers: An Wang, chairman of the board & president; Johannes Spanjaard, sr. v.p.; Harry H.S. Chou, exec. v.p., treasurer & controller; Chauncey C. Chu, sr. v.p.-development center operations; John F. Cunningham, exec. v.p.-sales; Robert L. Doretti, v.p.-eastern area, Joseph P. Grant, v.p.-central area, Ronald A. Munden, v.p.-mid-America; Richard P. Adam, v.p.-Europe; Charles D. Kempton, v.p.-western area; Eugene L. Shugoll, v.p.-southern area; J. Carl Masi, v.p.-marketing support; Jon F. Kropper, v.p.-manufacturing; Louis B. Green, v.p.-procurement; Eugene M. Bullis, v.p. & international controller: Edward D. Grayson, v.p., general counsel & secretary; Dodge Chu, v.p.& director-Pacific operations; Richard A. Hebert, v.p.-customer enginering; Robert S. Kolk, Harold A. Koplow, Robert A. Siegel, Frederick A. Wang, Norman M. Lourie, v.p.'s-development center; Herbert S. Holzman, North American controller; Charles E. Goodhue, III, clerk; Martin Miller, asst. treasurer; Ralph A. Crusius, asst. to president; Ronald A. Smith, v.p.-Americas area; Edward J. Devin, v.p.-human resources; Martin Goldman, director-international finance; David J. Hennessey, director-internal audit; Albert P. Belle Isle, director-corporate technology.

Directors: An Wang, chairman of the board; Peter A. Brooke, Lorraine C. Wang, John F. Cunningham, Harry H.S. Chou, Charles E. Goodhue, III, James C. Hodge, Martin Kirkpatrick, Ernest F. Stockwell, Jr.

Areas of Work: Manufactures electronic calculators, desk top computers, word processing equipment and accessories; also conducts computer software services including electronic mail.

Divisions:

Wang Computer Services
One Industrial Avenue
Lowell, Massachusetts 01851

Subsidiaries:

Wang International Trade, Inc.
One Industrial Avenue
Lowell, Massachusetts 01851

Wang Computer Pty. Ltd.
55 Herbert Street
St. Leonards, 2065
Australia

Wang Ges. m.b.H.
Murlingengasse 7
A-1120 Vienna, Austria

Wang Europe S.A. (European Hdqtrs.)
250 Avenue Louise
1050 Brussels, Belgium

Wang Laboratories (Canada) Limited
49 Valleybrook Drive
Don Mills, Ontario, Canada M3B 2S6

Wang (U.K.) Limited
Argyle House, 3rd Floor
Joel Street, Northwood Hills
Middlesex, HA6 IN5
England

Wang Computer, Ltd.
Shindaiso Bldg. No. 5
2-10-7 Dogenzaka Shibuya-ku
Tokyo, 150 Japan

Wang Computer Ltd.
302 Great North Road
Grey Lynn
Aukland, New Zealand

Wang Computers (Pte.) Ltd.
Suite 1801-1808, 18th Floor
Tunas Bldg., 114 Anson Road
Singapore 2, Rep. of Singapore

Wang France S.A.R.L.
Tour Gallieni 1
78/80 Avenue Gallieni
93170 Bagnolet, France

Wang Laboratories, G.m.b.H.
Moselstrasse 4
Frankfurt/Main 6000, West Germany

Wang Nederland B.V.
Damstraat 2
Utrecht, The Netherlands

Wang Skandinaviska A.B.
Pyramidvaegen 9A
S-171 36 Solna
Sweden

Wang S.A./A.G.
Markusstrasse 20
CH-8042, Zurich
Zurich and Geneva
Switzerland

Wang Industrial Co., Ltd.
7, Tun Hwa South Road
Sun Start Tun Hwa Bldg.
Taipei, Taiwan
Republic of China

Wang Laboratories (Taiwan) Ltd.
110-118 Kuang-Road
Taipei, Taiwan
Republic of China

Wang Pacific Limited
9th Floor, Lap Heng House
47-50 Gloucester Road
Hong Kong

Wang de Panama (CPEC) S.A.
Apartado 6425
Calle 45E, No. 9N
Bella Vista, Panama

Wang Financial Corporation
Wang Puerto Rico, Inc.
Wang Americas, Inc.
Wang Graphic Systems, Inc.
Wang Voice Communications Systems, Inc.

Transfer Agent(s):

The First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): American

Ticker Symbol: WAN

Number of Employees:

1980	11,670	1977	3,200
1979	7,725	1976	2,600
1978	4,600		

Plant Footage:

1980	1,114,000 sq. ft.	1977	648,334
1979	837,000	1976	230,000
1978	950,000		

Sales and Earnings

	Revenue	Net Income
1980	$ 543,272,000	$ 52,113,000
1979	321,565,000	28,585,000
1978	198,134,000	15,592,000
1977	134,335,000	9,124,000
1976	96,856,000	6,172,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	26,591,000	$2.00
1979	24,441,972	1.17
1978	22,585,414	0.69
1977	20,659,160	0.44
1976	20,440,800	0.30

‡ Based on the weighted average number of Class B Common and Class C Common shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split ‡
1980 Class B	$0.16	—	—
1980 Class C	0.06	—	—
1979 Class B	0.10	—	2-for-1
1979 Class C	0.06	—	—
1978 Class B	0.07	—	—
1978 Class C	0.04	—	—
1977 Class B	0.055	—	1-for-2
1977 Class C	0.12	—	—
1976 Class B	0.0125	—	1-for-4
1976 Class C	0.10	—	—

+ Adjusted to reflect stock splits.
# In the form of a dividend of one share of Class B Common Stock for each share of Class B Common Stock and Class C Common Stock issued.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 191,496,000	$7.20
1979	118,239,000	4.84
1978	74,997,000	3.32
1977	51,390,000	2.49
1976	42,311,000	2.07

‡ Based on the weighted average number of Class B Common and Class C Common shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended June 30	1980	1979
Net sales & revenues	$ 503,132,000	$ 299,041,000
Other income	40,140,000	22,524,000
Total income	$ 543,272,000	$ 321,565,000
Cost of sales	242,338,000	137,774,000
Expenses	207,212,000	128,281,000
Interest expense	15,909,000	7,925,000
Income before taxes	$ 77,813,000	$ 47,585,000
Income taxes	25,700,000	19,000,000
Net Income	$ 52,113,000	$ 28,585,000

* Included in Costs and Expenses, Depreciation and Amortization: $30,048,000 in 1980 and $17,070,000 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 6,706,000	$ 5,002,000
Accts. receiv., net	167,475,000	86,638,000
* Inventories	208,747,000	108,674,000
Prepaid expenses & other assets	11,392,000	6,442,000
Current Assets	$ 394,320,000	$ 206,756,000
# Fixed assets	128,817,000	74,703,000
Other assets	55,316,000	22,765,000
Total Assets	$ 578,453,000	$ 304,224,000

Liabilities

Notes payable	$ 35,525,000	$ 10,753,000
Long-term debt, curr.	5,315,000	503,000
Accts. payable	65,654,000	31,001,000
Unearned serv. revenue	14,301,000	4,859,000
Compensation	22,051,000	13,113,000
Income taxes	3,329,000	3,454,000
Other taxes	6,248,000	5,259,000
Dividends payable	917,000	865,000
Curr. Liabilities	$ 153,340,000	$ 69,807,000
Long-term debt	214,117,000	111,178,000
Deferred inc. taxes	19,500,000	5,000,000
+ Common stock	2,063,000	2,063,000
+ Class B Common stock	10,699,000	10,043,000
Add. paid-in capital	50,580,000	25,011,000
Retained earnings	130,199,000	81,734,000
Treasury stock	(2,045,000)	(612,000)
Total Liabilities & Shareholders' Equity	$ 578,453,000	$ 304,224,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

% Income bef. Taxes to Total Income	14.32	14.80
% Net Income to Total Income	9.59	8.89
% Net Income to Equity	27.21	24.18
Working Capital	$ 240,980,000	$ 136,949,000
Current Ratio	2.57	2.96
Shareholders' Equity	$ 191,496,000	$ 118,239,000

Wards Company, Inc.

2040 Thalbro Street
Richmond, Virginia 23230
(804) 257-4292

Officers: Alan L. Wurtzel, president and chief executive officer; William D. Rivas, Daniel M. Rexinger, exec. v.p.'s; Edward Villanueva, v.p. & treasurer; Walter Bruckart, sr. v.p., Edward Jaffee, Eugene Koch, James N. Gillum, Kenneth Antos, L.D. Donnelly, v.p.'s; Jeffrey S. Loeb, controller; Gertrude M. Gibson, secretary; Frank Forlano, John Moldovan, Sheldon Shapiro, asst. v.p.'s.

Directors: Samuel Winokur, S.S. Wurtzel, Edward Villanueva*, Alan L. Wurtzel*, Hyman Meyers, William D. Rivas*, Barry B. Anthony, Daniel M. Rexinger*, Douglas Drysdale.

*Member of Executive Committee.

Areas of Work: Through the acquistion of Lafayette Radio Electronics Corp., the company develops and distributes stereo components and other consumer electronic products. Also operates 90 retail outlets and leased departments in 18 states.

Acquisition(s):

Lafayette Radio Electronics Corporation
111 Jericho Turnpike
Syosset, New York 11791
(516) 921-7700

Develops and distributes stereo components, home electronic products, and communications equipment. Operates 8 stores in the New York metropolitan area.

Transfer Agent(s):

United Virginia Bank
Richmond, Virginia

Stock Exchange(s): American

Ticker Symbol: WRD

Sales and Earnings

	Net Sales ‡	Net Income #
1981	$ 131,881,000	$ 2,701,000
1980	119,609,000	2,286,000
1979*	111,534,000	2,570,000
1978	90,799,000	2,052,000
1977	72,360,000	1,250,000

	No. of Com. Shares	Earn. per Share † #
1981	733,653	$3.53
1980	742,106	3.04
1979	719,194	3.41
1978	715,794	2.70
1977	713,457	1.62

‡ Includes operating revenues.
# Including extraordinary credits of $70,000 ($0.10 per share) in 1977.
† Based on the weighted average number of common shares and common share equivalents outstanding.
* Company changed fiscal year to end February 28. Sales and income for 1979 includes eleven months ended Feb. 28, 1979, and March 1-31, 1978.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$0.20	—	—
1980	0.20	—	—
1979	0.05	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 15,368,000	$20.95
1980	13,027,000	17.55
1979	10,690,000	14.86
1978	8,362,000	11.68
1977	5,463,000‡	7.41

‡ After allowing for preferred stock: 5-½% convertible, $2.50 convertible series A and $2.50 convertible series C at involuntary liquidation value of $20, $50 per share, respectively.

Income Account *
(000's)

Year ended	2/28/81	2/29/80
Net sales & oper. rev.	$ 131,881	$ 119,609
Cost of sales	96,764	88,568
Expenses	29,885	26,105
Interest expense	1,194	740
Income before taxes	$ 4,038	$ 4,196
Income taxes	1,337	1,910
Net Income	$ 2,701	$ 2,286

* Included in Costs and Expenses, Depreciation and Amortization: $973,000 in 1981 and $756,000 in 1980.

Assets
(000's)

As of March 31	2/28/81	2/29/80
Cash	$ 2,211	$ 2,316
Accts. receiv., net	3,821	2,374
* Inventories	20,129	18,182
Other assets	1,298	877
Current Assets	$ 27,459	$ 23,749
# Fixed assets	6,626	5,896
Other assets	3,856	739
Total Assets	$ 37,941	$ 30,384

Liabilities
(000's)

Long-term debt, curr.	$ 486	$ 83
Accts. payable & accruals	12,156	9,587
Accrued inc. taxes	669	1,351
Curr. Liabilities	$ 13,311	$ 11,021
Long-term debt	7,396	4,633
Deferred income taxes	43	124
Deferred revenues	1,823	1,579
+ Common stock	789	776
Add. paid-in capital	3,327	3,280
Retained earnings	11,869	9,315
Treasury stock	(617)	(344)
Total Liabilities & Shareholders' Equity	$ 37,941	$ 30,384

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales and Rev.	3.06	3.51
%Net Income to Sales & Rev.	2.05	1.91
%Net Income to Equity	17.58	17.55
Working Capital	$ 14,148,000	$ 12,728,000
Current Ratio	2.06	2.15
Shareholders' Equity	$ 15,368,000	$ 13,027,000

Warner Electric Brake & Clutch Company

449 Gardner Street
South Beloit, Illinois 61080
(815) 389-7771

Officers: Steven P.J. Wood, chairman of the board; William W. Keefer, president; Rodney F. Ackerman, sr. v.p.-automotive sales; Paul de Belay, v.p.-international operations; R. Scott Johnson, v.p.-industrial marketing; W.J. Ward, Jr., v.p.-Motion Control Systems; Thomas E. Berger, v.p.-finance & secretary; Hubert E. Klinkenberg, v.p.-Beaver Precision Products, Inc.

Directors: Mark T. Gilkison, Robert L. Swam, William W. Keefer, Benjamin C. Kuo, John A. Morris, E. William Swanson, Malcolm J. Wood, Steven P.J. Wood, Richard B. Black.

Areas of Work: Manufactures and markets motion control devices which find a wide variety of industrial and automotive applications. The company's products include photoelectric sensors and controls, brakes for stopping motion, clutches for starting and disengaging motion and ball bearing screws for converting rotary or linear motion, are used for the purposes of automation, convenience and labor saving functions.

Divisions and Subsidiaries:

Beaver Precision Products, Inc
1970 Big Beaver Road
Troy, Michigan 48084
(313) 689-3100
Precision ball screws.

Motion Control Systems Division
P.O. Box 275
Marengo, Illinois 60152
(815) 568-8001
Products include: step motors, sensors, actuators, lead screws and automatic control systems.

PSI Division
P.O. Box 118
Pitman, New Jersey
(609) 589-0815
Products include: wrap spring clutches and brakes.

Alcoils, Inc.
415 South Chauncey Street
Columbia City, Indiana 46725
(219) 244-6183
Precision wound aluminum and copper coils.

Warner Electric, Inc.
Lausanne, Switzerland

Warner France, S.A.
Le Mans, France

Warner Electric, GmbH
Wolfschlugen, Germany

Warner Electric, Ltd.
Bishop Auckland, England

Transfer Agent(s):

Harris Trust & Savings Bank
111 West Monroe Street
Chicago, Illinois

Warner Electric Brake & Clutch Company

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WARN (NASDAQ)

Number of Employees:

1980	2,865	1977	2,574
1979	3,065	1976	2,530
1978	2,907		

Plant Footage:

1980	834,000 sq. ft.	1977	812,000
1979	834,000	1976	606,500
1978	812,060		

* Including parent company, divisions and subsidiaries.

Sales and Earnings

	Net Sales	Net Income
1980	$ 152,438,270	$ 10,435,216
1979	138,690,250	10,085,589
1978	115,491,707	8,707,567
1977	101,816,844	6,768,754
1976	88,420,052	5,423,553

	No. of Com. Shares †	Earn. per Share ‡
1980	2,600,621	$4.02
1979	2,590,062	3.83
1978	2,638,254	3.32
1977	2,606,967	2.48
1976	2,806,641	1.94

† Adjusted to reflect stock split.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1980	1979	1978	1977
Auto air conditioning	10%	11%	14%	20%
Plant modernization	19	19	19	18
Machine tools	19	15	15	14
Information processing	14	15	14	9
Farm equip.	7	8	8	9
Aircraft	8	6	4	5
Printing/packaging machinery	5	5	5	5
Other	18	21	21	20
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$1.28	—	—
1979	1.10	—	—
1978	0.90	—	—
1977	0.70	—	3-for-2
1976	0.52	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 59,007,000	$22.69
1979	51,800,000	20.00
1978	45,776,000	17.35
1977	39,335,000	15.09
1978	37,138,000	13.23

‡ Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 152,438,270	$ 138,690,250
Other income	347,520	292,593
Total income	$ 152,785,790	$ 138,982,843
Cost of sales	97,901,539	90,699,651
Expenses	30,951,452	26,292,985
Depreciation & amortization	4,145,072	3,268,946
Interest expense	1,652,511	935,672
Income before taxes	$ 18,135,216	$ 17,785,598
Income taxes	7,700,000	7,700,000
Net Income	$ 10,435,216	$ 10,085,589

Assets

As of Dec. 31	1980	1979
Cash	$ 3,820,577	$ 2,344,754
Accts. receiv., net	28,275,104	26,064,458
* Inventories	38,517,411	37,227,955
Prepaid expenses	418,285	374,100
Current Assets	$ 71,031,377	$ 66,011,267
# Fixed assets	26,158,781	20,708,809
Other assets	4,056,809	6,400,230
Intangibles	2,298,941	2,335,926
Total Assets	$ 103,545,908	$ 95,456,232

Liabilities

Notes payable	$ 5,700,000	$ 4,000,000
Long-term debt. curr.	800,000	818,200
Accts. payable	7,226,803	9,840,897
Accruals	5,288,016	4,537,841
Accrued payroll	5,265,536	4,347,733
Dividends payroll	845,043	776,681
Income taxes	1,941,338	2,692,618
Curr. Liabilities	$ 27,066,736	$ 27,013,970
Long-term debt	13,740,318	13,870,650
Deferred inc. taxes	2,838,496	2,091,732
Other liabilities	892,955	679,618
+ Common stock	3,084,854	3,084,854
Add. paid-in capital	799,383	753,620
Retained earnings	60,929,768	53,845,932
Treasury stock	(5,806,602)	(5,884,144)
Total Liabilities & Shareholders' Equity	$ 103,545,908	$ 95,456,232

* At lower of cost (FIFO) or market for international subsids., LIFO for U.S. companies.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.90	12.82
%Net Income to Sales	6.85	7.27
%Net Income to Equity	17.68	19.47
Sales to Inventories	3.96	3.73
Working Capital	$ 43,964,641	$ 38,997,297
Current Ratio	2.62	2.44
Shareholders' Equity	$ 59,007,403	$ 51,800,262

Washington Scientific Industries. Inc.

Long Lake, Minnesota 55356
(612) 473-1271

Officers: Stewart Pfannstiehl, president and chief executive officer; William A. Andres, v.p.-research & development; Bernard E. Kinney, v.p.-finance, corp. development & treasurer; C.W. Dinsmore, v.p.-contract services division; W.J. Lucke, v.p.-fluid power division; L.D. Quanrud, v.p.-micrographics; Gerald E. Magnuson, secretary.

Directors: Gerald E. Magnuson, Warren G. Christianson, Mrs. Lawrence V. Hastings, Harrison Randolph, Stewart Pfannstiehl, A.E. Abramson, Thomas L. Kenealy.

Areas of Work: Designs and manufactures precision instrument gearheads, gear trains, differentials and counter mechanisms, servo-mechanisms, instrument assemblies and electromechanical modules; microfilm viewers, aperture card viewers and processor-cameras, intrument frames, housing casings and controls for airborne and ground equipment; slip rings, commutators, brushes and molded miniature electrical components; hydraulic motors, gearhead and fluid power packages for hydraulic systems; contracts for the production of precision parts for manufacturers of computers and electronic equipment.

Divisions:

Contract Services Division
Micrographics Division
Fluid Power Division
Long Lake, Minnesota 55356

Subsidiaries:

Von Ruden Manufacturing Co.
Owatonna, Minnesota

Manufactures and sells gear boxes, speed changers, reducers, hydraulic pumps and related components and products.

Transfer Agent(s):

The First National Bank of Minneapolis
Minneapolis, Minnesota

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WSCI (NASDAQ)

Number of Employees:

1979	412	1976	325
1978	360	1975	304
1977	328		

Plant Footage:

1980	217,000 sq.ft.	1977	217,000
1979	217,000	1976	217,000
1978	217,000		

Sales and Earnings

	Net Sales †	Net Income
1980	$ 22,547,098	$ 1,134,623
1979	19,151,482	1,147,967
1978	16,446,250	674,656
1977	13,751,997	236,261
1976	12,850,621	(113,616)

	No. of Com. Shares	Earn. per Share ‡
1980	1,032,455	$1.10
1979	1,020,705	1.11
1978	1,004,080	0.67
1977	1,004,080	0.24
1976	1,004,080	—

(Loss)
*53 weeks.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.
† Of continuing operations only.

Revenues By Line of Business

	1980	1979
Contract services	$ 10,230,016	$ 7,001,106
Fluid power	3,788,008	2,912,951
Micrographics	3,808,130	4,891,289
Transmission devices	4,720,944	4,396,136
Total	$ 22,547,098	$ 19,151,482

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 7,786,882	$7.54
1979	6,698,002	6.56
1978	5,508,347	5.49
1977	4,833,691	4.81
1976	4,597,430	4.58

Income Account *

Year ended	8/31/80	8/26/79
Net sales	$ 22,547,098	$ 19,151,482
Other income	49,643	165,821

Total income	$ 22,596,741	$ 19,317,303
Cost of sales	17,586,747	14,739,468
Expenses	2,781,192	2,431,653
Interest expense	304,179	271,215
Income before taxes	$ 1,924,623	$ 1,874,967
Income taxes	790,000	727,000
Net Income	$ 1,134,623	$ 1,147,967

* Included in Costs and Expenses, Depreciation and Amortization: $499,146 in 1980 and $418,643 in 1979.

Assets

As of	8/31/80	8/26/79
Cash	$ 350,442	$ 398,611
Accts. receiv., net	3,852,368	2,845,791
* Inventories	4,156,303	4,178,457
Prepaid expenses	42,670	46,653
Current Assets	$ 8,401,783	$ 7,469,512
# Fixed assets	4,223,897	3,568,976
Other assets	94,228	109,813
Intangibles	387,136	399,164
Total Assets	$ 13,107,044	$ 11,547,465

Liabilities

Notes payable	$ 1,000,000	$ 200,000
Long-term debt, curr.	246,164	415,103
Accts. payable	1,101,702	1,007,196
Accruals & other payables	400,057	465,339
Accrued payroll	451,537	357,465
Income taxes	13,682	164,175
Curr. Liabilities	$ 3,213,142	$ 2,609,278
Long-term debt	1,854,144	2,100,309
Deferred inc. taxes	252,876	139,876
+ Common stock	123,245	122,071
Add. paid-in capital	709,339	679,702
Retained earnings	7,172,673	6,114,604
Treasury stock	(218,375)	(218,375)
Total Liabilities & Shareholders' Equity	$ 13,107,044	$ 11,547,465

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.54	9.79
%Net Income to Sales	5.03	5.99
%Net Income to Equity	14.57	17.14
Sales Income to Equity	5.42	4.58
Working Capital	$ 5,188,641	$ 4,860,234
Current Ratio	2.61	2.86
Shareholders' Equity	$ 7,786,882	$ 6,698,002

Waters Instruments, Inc.

2411 Seventh Street, N.W.
Valley High Industrial Park
Rochester, Minnesota 55903
(507) 288-7777

Mailing address:

P.O. Box 6117
Rochester, Minnesota 55903

Officers: George F. Waters, chairman of the board; Thomas A. Burton, president & chief executive officer; George Sedivy, v.p. & Medical Div. director; James M. Liberko, secretary & treasurer; Robert D. Dunbar, Cable Div. mgr.; Richard E. Thompson, Northern Signal Div. mgr.

Directors: Thomas A. Burton, John C. Enblom, Stand D. Donnelly, Newell O. Gaasedelen, Byron E. James, James E. Snyder, George F. Waters.

Divisions:

Northern Signal Company Division
Rochester, Minnesota
Products: electric fence chargers for farm use.

Cable Division
Rochester, Minnesota
Engaged in sub-contract manufacturing of cable harness assemblies and other electric or mechanical assemblies for computer equipment manufacturers.

Medical Division
Rochester, Minnesota
Produces electro-medical equipment and analytical instruments for hospital and laboratory use. Oximeters for measuring the oxygen saturation of human blood, cardiac out-put computers for determining heart function 'MOX' 100 kidney preservation equipment used in kidney transplant surgery and cauterizing units for female sterilization.

Deutsch Plastic Division
Rochester, Minnesota
Custom molded plastic products.

Subsidiary:

Johannah Medical Services, Inc.
Diagnostic needle products.

Transfer Agent(s):

Northwestern National Bank
Minneapolis, Minnesota

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WTRS (NASDAQ)

Number of Employees:

1980	225	1978	181
1979	220	1977	151

Plant Footage:

1980	66,000 sq. ft.	1978	60,000
1979	60,000	1977	60,000

Sales and Earnings

	Net Sales	Net Income
1981	$ 8,723,856	$ 365,601
1980	8,289,338	299,895
1979	6,919,683	285.262
1978	5,891,985	234,524
1977	5,425,168	212,550

	No. of Com. Shares	Earn. per Share +
1981	956,200	$0.38
1980	955,400	0.31
1979	955,400	0.30
1978	955,400	0.25
1977	955,400	0.22

+ Based on the average number of shares outstanding.

Revenues By Line of Business

	1980	1979
Cable division	$ 4,185,000	$ 3,971,000
Northern signal div.	2,453,000	2,403,000
Medical division	2,086,000	1,915,000
Total	$ 8,724,000	$ 8,289,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$0.07	—	—
1980	0.07	—	—
1979	0.06	—	—
1978	0.06	—	—
1977	0.06	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 3,796,000	$3.97
1980	3,496,185	3.66
1979	3,263,168	3.42
1978	3,035,230	3.18
1977	2,858,030	2.99

Income Account *

Year ended Jan. 31	1981	1980
Net sales	$ 8,724,000	$ 8,289,338
Cost of sales	6,736,000	6,417,329
Expenses	1,352,000	1,335,773
Oper. profit	$ 636,000	$ 536,236
Other income	(94,000)	(53,731)
Interest expense	29,000	30,072
Income before taxes	$ 701,000	$ 559,895
Income taxes	336,000	260,000
Net Income	$ 365,000	$ 299,895

* Included in Costs and Expenses, Depreciation and Amortization: $69,000 in 1980 and $57,386 in 1979.

Assets

As of Jan. 31	1981	1980
Cash & marketable secur.	$ 1,049,000	$ 538,345
Receiv., net	1,062,000	1,333,065
* Inventories	1,740,000	1,770,776
Prepaid expenses	31,000	49,679
Current Assets	$ 3,882,000	$ 3,691,865
# Fixed assets	768,000	764,167
Other assets	37,000	50,065
Total Assets	$ 4,687,000	$ 4,506,097

Liabilities

Notes payable	$ 32,000	$ 30,733
Accts. payable	139,000	286,732
Accruals & inc. taxes pay.	391,000	343,592
Curr. Liabilities	$ 562,000	$ 661,057
Long-term debt	317,000	348,855
Deferred inc. tax credits	12,000	—
+ Common stock	96,000	95,590
Add. paid-in capital	1,163,000	1,165,585
Retained earnings	2,537,000	2,238,810
Treasury stock	—	(3,800)
Total Liabilities & Shareholders' Equity	$ 4,687,000	$ 4,506,097

* Raw materials stated at lower of cost (FIFO) or replacement market; work in process and finished goods stated at cost (FIFO), but not in excess of realizable values.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.04	6.75
%Net Income to Sales	4.18	3.62
%Net Income to Equity	9.62	8.58
Sales to Inventories	5.01	4.68
Working Capital	$ 3,320,000	$ 3,030,808
Current Ratio	6.91	5.58
Shareholders' Equity	$ 3,796,000	$ 3,496,185

Waters Manufacturing, Inc.

Longfellow Center
Wayland, Massachusetts 01778
(617) 358-2777

Officers: Robert A. Waters, president; Salvatore F. Mazzarini, v.p. and treasurer; Donald A. Russell, v.p.-mfg. operations; Gerald F. Griffin, clerk.

Directors: Robert A. Waters, chairman; Salvatore F. Mazzarini, Harry Sugarman, Martin Kirkpatrick, Samuel J. Davy, Gerald F. Griffin, Real O. Roy, Donald A. Russell.

Areas of Work: Designs and manufactures precision potentiometers, professional audio controls and torque measuring equipment for use in industry and government.

Transfer Agent(s):

First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	120	1977	105
1979	135	1976	100
1978	105		

Plant Footage:

1980	24,000 sq.ft.	1977	21,500
1979	24,000	1976	21,500
1978	21,500		

Sales and Earnings

	Net Sales	Net Income
1981	$ 3,886,640	$ 352,866
1980	3,773,259	268,171
1979	3,157,071	243,182
1978	2,320,026	194,292
1977	2,137,465	159,858

	No. of Com. Shares	Earn. per Share
1981	534,690	$0.66
1980	539,266	0.49
1979	548,957	0.44
1978	554,257	0.35
1977	554,257	0.29

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 2,055,338	$3.84
1980	1,711,730	3.17
1979	1,462,960	2.66
1978	1,227,928	2.22
1977	1,033,636	1.86

Income Account *

Year ended April 30	1980	1979
Net sales	$ 3,773,259	$ 3,157,071
Cost of sales	2,587,200	2,102,532
Expenses	720,124	644,117
Oper. profit	$ 465,935	$ 410,422
Other income	19,236	21,760
Income before taxes	$ 485,171	$ 432,182
Income taxes	217,000	189,000
Net Income	$ 268,171	$ 243,182

* Included in Costs and Expenses, Depreciation: $113,799 in 1980 and $82,763 in 1979.

Assets

As of April 30	1980	1979
Cash	$ 59,464	$ 71,470
Cert. of deposit	—	200,000
Accts. receiv., net	638,497	421,495
* Inventories	913,378	648,372
Prepaid expenses & sundry receiv.	16,912	22,016
Current Assets	$ 1,628,251	$ 1,363,353
# Fixed assets	422,600	388,320
Other assets	62,351	60,057
Total Assets	$ 2,113,202	$ 1,811,730

Liabilities

	1980	1979
Accts. payable	$ 132,333	$ 86,989
Accruals & sundry liab.	195,100	169,675
Income taxes	33,500	92,106
Cap. lease oblig., curr.	2,128	—
Non-refund. cust. dep.	25,368	—
Curr. Liabilities	$ 388,429	$ 348,770
Cap. lease oblig.	13,043	—
+ Common stock	577,057	577,057
Add'l. paid-in capital	196,936	196,936
Retained earnings	995,775	727,604
Treasury stock	(58,038)	(38,637)
Total Liabilities & Shareholders' Equity	$ 2,113,202	$ 1,811,730

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.86	13.69
%Net Income to Sales	7.11	7.70
%Net Income to Equity	15.67	16.62
Sales to Inventories	4.13	4.87
Working Capital	$ 1,239,822	$ 1,014,583
Current Ratio	4.19	3.91
Shareholders' Equity	$ 1,711,730	$ 1,462,960

Watkins-Johnson Company

3333 Hillview Avenue
Palo Alto, California 94304
(415) 493-4141

Officers: Dean A. Watkins, chairman of the board; H. Richard Johnson, president and chief executive officer; W. Keith Kennedy, v.p.-Devices Group; O. Thomas Purl, v.p.-shareowner relations; William E. Kunz, v.p.-Systems Group; Bernard Rosen, Bruce G. Bleecker, John H. Foster, v.p. presidents; C. Louise Beer, secretary; H. Edward Beckmeyer, treasurer and assistant secretry; Howard W. Stohlman, controller; Carl L. Avelar, John S. Wilburn, Jr., assistant secretaries; Arthur A. Wendering, asst. treasurer.

Directors: Dean A. Watkins, H. Richard Johnson, Dwight M. Cochran, John J. Hartman, Nathan C. Finch, Rita R. Campbell, Jack L. Shepard, Von R. Eshleman.

Areas of Work: Engaged in the development, design and production of receiving equipment for surveillance, direction finding and countermeasures; antenna-to-data-reduction reconnaissance and surveillance systems; solid-state amplifiers, travelling-wave and backward-wave tubes and oscillators, tuners, receivers and computer controlled microwave receiving systems.

Divisions:

Systems Group
  Recon Division
  3333 Hillview Avenue
  Palo Alto, California 94304
  (415) 493-4141

  SEE Division
  3333 Hillview Avenue
  Palo Alto, California 94304
  (415) 493-4141

  CEI Division
  700 Quince Orchard Road
  Gaithersburg, Maryland 20760
  (301) 948-7550

Devices Group
  Solid State Subsystems
  Solid State Devices
  3333 Hillview Avenue
  Palo Alto, California 94304
  (415) 493-4141

  Stewart Division
  440 Mount Hermon Road
  Scotts Valley, California 95060
  (408)438-2100

Subsidiaries:

Watkins-Johnson Associates
3333 Hillview Avenue
Palo Alto, California 94304
(415) 493-4141

Watkins-Johnson International
3333 Hillview Avenue
Palo Alto, California 940304
(415) 493-4141

Watkins-Johnson Limited
3333 Hillview Avenue
Palo Alto, California 94304
(415) 493-4141

Watkins-Johnson Italiana, S.p.A.
Rome, Italy

Transfer Agent(s):

Morgan Guaranty Trust Company
30 West Broadway
New York, New York 10015

Well Fargo Bank
Box 44011
San Francisco, California 94144

Stock Exchange(s): New York, Phila-Balt-Wash, Pacific, Boston.

Ticker Symbol: WJ

Number of Employees:

1980	2,710	1977	2,710
1979	2,920	1976	2,240
1978	2,930		

Plant Footage:

1980	799,000 sq. ft.	1977	709,000
1979	709,000	1976	709,000
1978	709,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 132,793,539	$ 7,091,665
1979	127,645,731	7,253,819
1978	105,617,907	2,173,367
1977	90,070,632	5,440,045
1976	71,982,133	4,565,610

	No. of Com. Shares +	Earn. per Share +
1980	3,179,057	$2.23
1979	3,131,219	2.32
1978	3,087,144	0.70
1977	3,082,878	1.76
1976	3,032,548	1.48

+ Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1980	1979	1978	1977
Systems	58%	58%	56%	54%
Devices	42	42	44	46
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.48	—	—
1979	0.40	—	—
1978	0.40	—	—
1977	0.32	—	—
1976	0.32	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 65,850,498	$20.71
1979	59,947,394	19.15
1978	52,829,678	17.11
1977	51,777,798	16.80
1976	47,316,349	15.35

‡ Based on weighted average number of shares outstanding.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 132,793,539	$ 127,645,731
Cost of sales	83,697,779	80,634,707
Expenses	36,162,701	33,236,150
Other expenses	61,394	1,061,055
Loss from term. contracts	550,000	—
Income before taxes	$ 12,321,665	$ 12,713,819
Income taxes	5,230,000	5,460,000
Net Income	$ 7,091,665	$ 7,253,819

* Included in Costs and Expenses, Depreciation and Amortization: $4,730,973 in 1980 and $4,527,809 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 2,136,549	$ 5,121,594
Marketable securities	13,869,938	10,374,541
Receiv., net	31,431,558	35,153,401
* Inventories	17,979,714	18,290,512
Other assets	2,043,568	1,482,825
Current Assets	$ 67,461,327	$ 70,422,873
# Fixed assets	38,241,909	33,832,258
Other assets	3,704,926	3,919,447
Total Assets	$ 109,408,162	$ 108,174,578

Liabilities

Notes payable	$ 1,393,025	$ 422,114
Accts. payable	3,628,151	3,898,583
Payroll & prof. sharing	6,837,600	6,704,147
Advances on contracts	710,742	1,645,037
Income taxes	1,258,209	5,954,429
Guarantee under term. contract	1,875,311	1,875,311
Other liabilities	3,379,520	3,355,386
Curr. Liabilities	$ 19,082,558	$ 23,855,007
Deferred inc. taxes	1,871,619	1,403,498
Long-term oblig. under cap. leases	22,603,487	22,968,679
+ Common stock	3,329,978	3,318,128
Add. paid-in capital	5,049,345	4,723,977
Retained earnings	57,471,175	51,905,289
Total Liabilities & Shareholders' Equity	$ 109,408,162	$ 108,174,578

* At lower of cost (FIFO and average) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	9.28	9.96
%Net Income to Sales	5.34	5.68
%Net Income to Equity	10.77	12.10
Sales to Inventories	7.39	6.98
Working Capital	$ 48,378,769	$ 46,567,866
Current Ratio	3.54	2.95
Shareholders' Equity	$ 65,850,498	$ 59,947,394

Wavetek

9045 Balboa Avenue
P.O. Box 651
San Diego, California 92112
(714) 279-2200

Officers: David M. Goodman, chairman of the board; John M. Thornton, president & chief exec. officer; John P. Schweikart, v.p. & chief financial officer; Henry Reinecke, Jr., v.p. & gen. mgr.-Wavetek San Diego; Louis W. Abbott, v.p. & gen. mgr.-Wavetek Indiana, Inc.; John H. Byrne, v.p. & general counsel; Robert A. Padgett, secretary.

Directors: Joel A. Naive, John M. Thornton, Pedro A. Castillo, David M. Goodman, Louis W. Abbott, J. Garrett Fitzgibbons, Richard M. Hexter, Katherine P. Naive.

Areas of Work: Designs, manufactures and sells electronic test equipment, principally generators.

Subsidiaries:

Wavetek Indiana, Incorporated
5808 Churchman
Beech Grove, Indiana 46107
(317) 788-9351

Wavetek Rockland, Inc.
Rockleigh Industrial Park
Rockleigh, New Jersey 07647

Wavetek Electronics GmbH
Wolfratschauser Strasse 169
D-8000 Munchen 71, West Germany

Wavetek Electronics, Ltd.
109 Crockhamwell Road, Woodley
Reading, BERKS RG5 3JP
England

Transfer Agent(s):

California First Bank
P.O. Box 2529
8155 Mercury Court, Bldg.
San Diego, California 92111

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WVTK (NASDAQ)

Number of Employees:

1980	1,018	1977	682
1979	798	1976	557
1978	677		

Plant Footage:

1980	160,000 sq. ft.	1977	118,000
1979	156,000	1976	118,000
1978	121,000		

Sales and Earnings †

	Net Sales #	Net Income
1980	$ 38,344,000	$ 2,175,000
1979	31,264,000	2,488,000
1978	26,493,000	2,028,000
1977	19,771,000	1,225,000
1976	14,698,000	1,000,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	2,919,000	$0.75
1979	2,921,000	0.85
1978	2,767,000	0.73
1977	2,653,000	0.46
1976	2,605,00	0.38

† Restated to include operations of companies acquired on a pooling of interests basis.
# Of continuing operations only. Includes other income.
‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividends	Stock Split
1980	—	—	3-for-2
1979	—	—	—
1978	—	—	3-for-2

Common Stock Equity †

	Total Equity	Equity Per Share ‡
1980	$ 15,736,000	$5.39
1979	12,708,000	4.35
1978	9,951,000	3.60
1977	7,796,000	2.94
1976	6,452,000	2.48

† Restated to include operations of companies acquired on a pooling of interests basis.
‡ Based on average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *

Year ended	9/27/80	9/29/79 ‡
Net sales	$ 38,344,000	$ 31,264,000
Cost of sales	17,967,000	14,500,000
Expenses	15,134,000	11,700,000
Interest expense	718,000	299,000
Income before taxes	$ 4,525,000	$ 4,765,000
Income taxes	2,128,000	2,021,000
Income from cont. oper.	$ 2,397,000	$ 2,744,000
Loss from discont. oper.	(222,000)	(256,000)
Net Income	$ 2,175,000	$ 2,488,000

* Included in Costs and Expenses, Depreciation: $942,000 in 1980 and $724,000 in 1979.
‡ Restated to include operations of companies acquired on a pooling of of interests basis.

Assets

As of	9/27/80	9/29/79 ‡
Cash	$ 277,000	$ 533,000
Notes receiv.	577,000	—
Receiv., net	9,298,000	10,851,000
* Inventories	10,465,000	7,486,000
Other assets	191,000	124,000
Current Assets	$ 20,808,000	$ 18,994,000
# Fixed assets	8,990,000	5,141,000
Other assets	1,060,000	72,000
Total Assets	$ 30,858,000	$ 24,207,000

Liabilities

Notes payable	$ 5,418,000	$ 3,480,000
Long-term debt, curr	254,000	195,000
Accts. payable	1,508,000	2,672,000
Accruals	1,736,000	1,427,000
Accrued payroll	1,552,000	1,493,000
Income taxes	241,000	699,000
Curr. Liabilities	$ 10,709,000	$ 9,966,000
Long-term debt.	3,977,000	1,341,000
Deferred inc. taxes	436,000	192,000
Common stock	4,052,000	3,042,000
Retained earnings	11,684,000	9,666,000
Total Liabilities &	$ 30,858,000	$ 24,207,000

‡ Restated to include operations of companies acquired on a pooling of interests basis.
* At cost (FIFO) not in excess of market.
# Less accumulated depreciation.

Statistical Summary

%Net Income to Equity	13.82	19.58
Sales to Inventories	3.66	4.18
Working Capital	$ 10,099,000	$ 9,028,000
Current Ratio	1.94	1.91
Shareholders' Equity	$ 15,736,000	$ 12,708,000

R. V. Weatherford Co.

6921 San Fernando Road
Glendale, California 91201
(213) 849-3451

Officers: R. V. Weatherford, chairman of the board, president & treasurer; Ben C. Johnson, v.p.-sales; Robert A. Westrum, v.p.-operating services; C. Clifford Riggs, v.p.-fianace; June E. McCabe, secretary.

Directors: John G. Monkman, R. V. Weatherford, Dinesh Maniar, C. Clifford Riggs, Howard L. Sanger.

Areas of Work: Engaged in the wholesale distribution of electronic components and equipment, principally semiconductors, electronic hardware, resistors, and capacitors; services for microprocessor units, minicomputers, and peripheral equipment, including printers, visual display terminals, and memory boards. The Company's sales are made to original equipment manufacturers located in the Western United States, principally California. Principal customers are in the defense, aerospace, computer and communication industries.

Subsidiaries:

Western Electronic Supply Corporation
640 Allen Avenue
Glendale, California 91204
(213) 246-4861

also at:

16682 Millikin Avenue
Irvine, California 92714
(714) 751-3941

R.V. Weatherford Co.

Transfer Agent(s):

Security Pacific National Bank
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Plant Footage:

1980	110,000 sq. ft.	1977	95,000
1979	110,000	1976	95,000
1978	105,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 35,384,117	$ 591,681
1979	26,386,025	300,074
1978	20,398,857	74,371
1977	17,088,547	(290,187)
1976	16,540,941	(577,076)

	No. of Com. Shares	Earn. per Share ‡
1980	590,191	$1.00
1979	590,191	0.51
1978	590,191	0.13
1977	590,191	—
1976	590,191	—

Loss)
‡ Based on average number of shares outstanding.

Revenues By Line of Business

	1980	1979	1978	1977
Semiconductors	44.7%	43.2%	41.2%	46.5%
Electronic hardware	43.9	43.3	45.2	37.9
Other	11.4	13.5	13.6	15.6
Total	100.0%	100.0%	100.0%	100.0%

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 6,472,023	$10.97
1979	5,880,342	9.96
1978	5,580,268	9.46
1977	5,505,897	9.33
1976	5,796,084	9.82

Income Account *

Year ended June 30	1980	1979
Net sales	$ 35,384,117	$ 26,386,025
Cost of sales	26,442,332	19,844,369
Expenses	7,823,665	6,005,737
Income bef. taxes	$ 1,118,120	$ 535,649
Income taxes	526,439	235,575
Net Income	$ 591,681	$ 300,074

* Included in Costs and Expenses, Depreciation and Amortization: $64,018 in 1980 and $39,870 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 410,073	$ —
Accts. receiv., net	5,278,448	3,678,271
* Inventories	7,925,050	5,480,718
Other assets	367,643	307,975
Current Assets	$ 13,981,214	$ 9,466,964
# Fixed assets	235,361	153,702
Total Assets	$ 14,216,575	$ 9,620,666

Liabilities

Cash overdraft	$ —	$ 238,450
Notes payable	1,900,000	866,000
Curr. Portion long-term debt	193,344	—
Accts. payable	3,829,501	2,121,758
Inc. taxes payable	348,815	—
Accruals	780,688	514,116
Curr. Liabilities	$ 7,052,348	$ 3,740,324
Long-term debt	692,204	—
+ Capital stock	612,149	612,149
Add. paid-in capital	1,018,263	1,018,263
Retained earnings	4,841,611	4,249,930
Total Liabilities & Shareholders' Equity	$ 14,216,575	$ 9,620,666

* At cost (FIFO) not in excess of market.
# Less accumulated depreciation and amortization.
+ No par value per share; $1 stated value.

Statistical Summary

%Income bef. Taxes to Sales	3.16	2.03
%Net Income to Sales	1.67	1.14
%Net Income to Equity	9.14	5.10
Sales to Inventories	4.46	4.81
Working Capital	$ 6,928,866	$ 5,726,640
Current Ratio	1.98	2.53
Shareholders' Equity	$ 6,472,023	$ 5,880,342

Weigh-tronix, Inc.

(formerly a subsidiary of Art's-Way Manufacturing Company, Incorporated)

Fairmont Industrial Park
Fairmont, Minnesota 56031
(507) 238-4461

Officers: Frederick A. Fielder, chairman of the board; Richard S. Bradley, president & chief executive officer; Vincent D. Del Santro, v.p.-manufacturing; James W. Deer, secretary; Emery J. Lee, treasurer, asst. secretary & controller.

Directors: James H. Binger, Richard S. Bradley, George A. Cavanaugh, Jr., Herbert H. Davis, Jr., James W. Deer, Frederick A. Fielder, F. William Harder, James L. Koley, Donald M. McClellan, Judson S. Sayre, Arthur W. Schwalm.

Areas of Work: Engaged in the manufacture of electronic weighing systems for farm and industry.

Transfer Agent(s):

First National Bank of Minneapolis
Minneapolis, Minnesota

Bradford Trust
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WGHT (NASDAQ)

Number of Employees:

1980	194	1979	252

Plant Footage:

1980	143,000 sq. ft.	1979	85,000

Sales and Earnings

	Net Sales	Net Income
1980	$ 16,209,045	$ 2,028,396
1979	12,146,667	1,566,113
1978	7,599,428	840,628
1977	5,732,421	680,562
1976	3,369,619	444,676

	No. of Com. Shares	Earn. per Share †
1980	1,952,933	$1.04
1979	1,952,933	0.80
1978	1,952,933	0.43
1977	1,952,933	0.36
1976	1,952,933	0.23

† Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.40	—	2.47-for-1

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 5,977,791	$3.06
1979	4,738,700	2.43
1978	3,172,587	1.62
1977	2,276,988	1.17
1976	1,596,426	0.82

Income Account *

Year ended	5/31/80	5/26/79
Net sales	$ 16,209,045	$ 12,146,667
Cost of sales	9,204,570	6,846,917
Expenses	3,099,846	2,296,371
Interest income	(174,230)	(21,965)
Interest expense	164,554	—
Income before taxes	$ 3,914,305	$ 3,025,344
Income taxes	1,885,909	1,459,231
Net Income	$ 2,028,396	$ 1,566,113

* Included in Costs and Expenses, Depreciation and Amortization: $219,994 in 1980 and $123,503 in 1979.

Assets

As of	5/31/80	5/26/79
Cash & cert. of deposit	$ 1,011,751	$ 332,061
Due from Art's-Way	—	629,754
Accts. receiv., net	1,911,129	1,604,630
Other receiv.	8,165	18,989
* Inventories	3,404,142	2,364,692
Prepaid expenses	21,719	44,763
Current Assets	$ 6,356,907	$ 4,994,889
# Fixed assets	3,369,973	1,013,169
Patents	12,171	13,430
Other assets	374,185	16,965
Total Assets	$ 10,113,236	$ 6,038,453

Liabilities

Accts. payable	$ 249,435	$ 483,505
Accrued payroll	174,521	256,105
Accrued interest	36,723	—
Accrued inc. taxes	539,042	83,956
Deferred inc. taxes	101,459	96,680
Other accruals	330,904	276,523
Curr. Liabilities	$ 1,432,084	$ 1,196,769
Long-term debt	2,600,000	—
Deferred inc. taxes	44,342	56,123
Deferred income	59,019	46,861
+ Common stock	976,467	394,653
Add. paid-in capital	—	160,221
Retained earnings	5,001,324	4,183,826
Total Liabilities & Shareholders' Equity	$ 10,113,236	$ 6,038,453

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

% Income bef. Taxes to Sales	24.15	24.91
% Net Income to Sales	12.51	12.89
% Net Income to Equity	33.93	33.05
Sales to Inventories	4.76	5:14
Working Capital	$ 4,924,823	$ 3,798,120
Current Ratio	4.44	4.17
Shareholders' Equity	$ 5,977,791	$ 4,738,700

Weinschel Engineering Co., Inc.

One Weinschel Lane
Gaithersburg, Maryland 20760
(301) 948-3434

Mailing address:

P.O. Box 577
Gaithersburg, Maryland 20760

Officers: Bruno O. Weinschel, chairman of the board and president; William J. Graessle, treasurer; Rubin Shulman, secretary; Karen E. Peddicord, asst. secretary.

Directors: Bruno O. Weinschel, chairman; George Weinschel, Nathan Cohn, Samuel J. Raff, William M. Heiden.

Areas of Work: Engaged in the design and manufacture of microwave components and test and calibration instruments. Its products are sold primarily to the communications, aerospace and electronics industries, research and development and standards laboratories and various Government agencies.

Transfer Agent(s):

American Security Bank, N.A.
Washington, D.C. 20013

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	296	1977	212
1979	315	1976	211
1978	239		

Plant Footage:

1980	50,000 sq. ft.	1977	42,000
1979	50,000	1976	42,000
1978	42,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 11,727,740	$ 230,382
1979	10,996,699	459,309
1978	8,790,712	271,897
1977	7,094,066	230,035
1976	6,191,193	81,053

	No. of Com. Shares	Earn. per Share
1980	612,426	$0.38
1979	612,426	0.75
1978	612,426	0.44
1977	612,426	0.38
1976	612,426	0.13

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 3,875,072	$6.33
1979	3,644,690	5.95
1978	3,185,381	5.20
1977	2,913,484	4.76
1976	2,683,450	4.38

Income Account *

Year ended Oct. 31	1980	1979
Net sales	$ 11,727,740	$ 10,996,699
Cost of sales	6,426,620	5,679,315
Expenses	4,644,587	4,646,711
Oper. profit	$ 656,533	$ 670,673
Other income	117,104	154,853
Total	$ 773,637	$ 825,526
Other charges	440,038	168,880
Income before taxes	$ 333,599	$ 656,646
Income taxes	103,217	197,337
Net Income	$ 230,382	$ 459,309

* Included in Costs and Expenses, Depreciation and Amortization: $303,329 in 1980 and $212,066 in 1979.

Assets

As of Oct. 31	1980	1979
Cash	$ 132,086	$ 53,543
Due from officer	301,098	241,079
Accts. receiv., net	2,303,609	2,382,256
* Inventories	4,570,844	4,369,879
Prog. pay. receiv.	(126,585)	—
Other assets	79,979	61,556
Future income taxes	53,402	53,402
Current Assets	$ 7,314,433	$ 7,161,715
# Fixed assets	2,567,394	1,815,960
Other assets	82,378	60,397
Defer. charges	25,584	5,851
‡ Intangibles	20,200	30,200
Total Assets	$ 10,009,989	$ 9,074,123

Liabilities

	1980	1979
Notes payable	$ 470,000	$ 775,000
Long-term debt, curr.	232,622	125,430
Accts. payable	938,047	2,471,657
Adv. pay. from cust.	535,405	234,450
Accruals	208,982	145,844
Withheld taxes	28,989	30,245
Accrued payroll	243,467	196,315
Income taxes	68,153	188,965
Other taxes	2,141	1,899
Curr. Liabilities	$ 2,727,806	$ 4,169,805
Long-term debt	3,371,813	1,228,279
Deferred inc. taxes	35,298	31,349
+ Capital stock	314,998	314,998
Add. paid-in capital	537,654	537,654
Retained earnings	3,060,193	2,829,811
Treasury stock	(37,773)	(37,773)
Total Liabilities & Shareholders' Equity	$ 10,009,989	$ 9,074,123

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
‡ Less accumulated amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.84	5.97
%Net Income to Sales	1.96	4.18
%Net Income to Equity	5.95	12.60
Sales to Inventories	2.57	2.52
Working Capital	$ 4,586,627	$ 2,991,910
Current Ratio	2.68	1.72
Shareholders' Equity	$ 3,875,072	$ 3,644,690

Weldotron Corporation

1532 South Washington Avenue
Piscataway, New Jersey 08854
(201) 752-6700

Officers: Martin Siegel, president; Seymour G. Siegel, vice president-finance, secretary and treasurer; Seymour Zelnick, vice president-development; Eugene Millevoi, vice president-engineering; Albert W. Sanders, vice president & controller.

Directors: Martin Siegel, chairman; Seymour G. Siegel , Martin S. Sellinger, Seymour Zelnick, Isidore Siegel, Robert P. Gibbons, Albert H. Cohen.

Areas of Work: Develops and manufactures industrial packaging systems, including a line of packaging machinery and unit load handling systems for industrial applications; food packaging systems; electronic systems using infra-red light and radio frequency sensing fields for safety of automation; controls for monitoring high-speed machinery; audio/visual equipment for schools, industry and institutions.

Divisions and Subsidiaries:

Industrial Packaging Systems
1532 S. Washington Avenue
Piscataway, New Jersey 08854

Food Packaging Systems
1532 S. Washington Avenue
Piscataway, New Jersey 08854

Safety and Automation Systems
1532 S. Washington Avenue
Piscataway, New Jersey 08854

Educational Systems
237 Washington Avenue
Hackensack, New Jersey 07601

Transfer Agent(s):

Registrar and Transfer Company
34 Exchange Place
Jersey City, New Jersey 07302

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WELD (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1980	$ 23,646,557	$ 521,716
1979	20,642,481	379,489
1978	18,890,021	272,454
1977	18,920,111	353,057
1976	14,623,969	114,288

	No. of Com. Shares ‡ ‡	Earn. per Share ‡ ‡
1980	709,096	$0.73
1979	719,000	0.53
1978	719,000	0.38
1977	720,981	0.49
1976	727,096	0.16

‡ ‡ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 4,942,002	$6.97
1979	4,445,337	6.18
1978	4,065,848	5.65
1977	3,793,394	5.26
1976	3,464,337	4.76

† Based on the weighted average number of shares outstanding.

Income Account

Year ended April 30	1980	1979
Net sales	$ 23,646,557	$ 20,642,481
Other income	148,364	112,914
Total income	$ 23,794,921	$ 20,755,395
Cost of sales	17,486,575	15,334,168
Expenses	4,815,285	4,297,456
Depreciation & amortization	226,960	192,484
Interest expense	464,285	279,798
Income before taxes	$ 801,816	$ 641,489
Income taxes	280,100	272,000
Net Income	$ 521,716	$ 379,489

Assets

As of April 30	1980	1979
Cash	$ 464,713	$ 352,559
Accts. & notes receiv., net	5,566,583	4,861,687
* Inventories	5,998,326	4,957,024
Prepaid expenses	83,992	60,787
Other assets	308,467	189,103
Current Assets	$ 12,422,081	$ 10,421,160
# Fixed assets	1,406,189	1,098,975
Other assets	191,802	237,934
Total Assets	$ 14,020,072	$ 11,758,069

Liabilities

Notes payable	$ 1,219,765	$ 740,695
Accts. payable	3,723,868	2,921,429
Accrued payroll	340,788	263,060
Cust. deposits	370,440	234,938
Other liabilities	418,051	321,396
Income taxes	160,800	167,721
Deferred inc. taxes	647,188	495,896
Curr. Liabilities	$ 6,880,900	$ 5,145,135
Long-term debt	1,985,743	1,991,844
Deferred inc. taxes	211,427	175,753
+ Common stock	36,355	36,355
Add. paid-in capital	1,625,414	1,625,414
Retained earnings	3,329,284	2,807,568
Treasury stock	(49,051)	(24,000)
Total Liabilities & Shareholders' Equity	$ 14,020,072	$ 11,758,069

* At cost (LIFO).
# Less accumulated depreciation and amortization.
+ $0.05 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.39	3.16
%Net Income to Sales	2.21	1.84
%Net Income to Equity	10.56	8.54
Sales to Inventories	3.94	4.16
Working Capital	$ 5,541,181	$ 5,276,025
Current Ratio	1.81	2.03
Shareholders' Equity	$ 4,942,002	$ 4,445,337

Wells Benrus Corporation

901 Ethan Allen Highway
Ridgefield, Connecticut 06877
(203) 438-0333

Officers: Robert J. Romano, chairman of the board, chief exec. officer & treasurer; Ira L. Kasindorf, president & chief operating officer; Alex Novak, Murray Weiss, v.p.'s; F. Van S. Parr, secretary.

Directors: Robert J. Romano, chairman; Herman Fialkov, Sanford Kaplan, Ira L. Kasindorf, F. Van S. Parr, Alph B. Peterson, Leon S. Bishop.

Areas of Work: Engaged in the manufacture and sale of precision mechanical parts and components.

Subsidiary:

Precision Industrial Components Corporation
Ridgefield, Connecticut 06878

Manufactures and sells standardized precision mechanical components which include gears, bearings, shafts, fasteners, spacers, clutches, belts, pulleys, speed reducers, racks, couplings, springs and educational and experimental assortment kits.

Transfer Agent(s):

First Pennsylvania Bank, N.A.
First Penn Tower
Philadelphia, Pennsylvania 19101

Stock Exchange(s): American

Ticker Symbol: WEB

Sales and Earnings

	Net Sales †	Net Income +
1980	$ 8,831,000	$ 1,759,000
1979	7,834,000	(5,880,000)
1978	5,476,000	(15,927,000)
1977	5,596,000	(7,660,000)
1976	5,180,000	1,730,000

	No. of Com. Shares #	Earn. per Share + #
1980	3,061,120	$0.57
1979	1,661,120	—
1978	1,661,120	—
1977	1,661,120	—
1976	1,719,557	1.01

(Loss)
† Includes other income.
+ Including extraordinary gains of $809,000 ($0.26 per share) in 1980, $1,394,000 ($0.84 per share) in 1979, $753,000 ($0.44 per share) in 1976.
# Based on weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended Jan. 31	1980	1979
Net sales	$ 8,240,517	$ 7,464,221
Other income	590,059	369,980
Total Income	$ 8,830,576	$ 7,834,201
Cost of sales	4,452,340	4,347,675
Expenses	2,673,697	1,975,542
Interest expense	585,987	727,996
Income before taxes	$ 1,118,552	$ 782,988
Income taxes	514,530	—
Income from cont. oper.	$ 604,022	$ 782,998
Income (loss) from discont. oper.	346,000	(8,057,092)
Net Income (Loss)	$ 950,022	$ (7,274,104)
Extraordinary gain	808,530	1,394,440
Net Income (Loss) & extraord. gain	$ 1,758,552	$ (5,879,664)

* Included in Costs and Expenses, Depreciation and Amortization: $92,905 in 1980 and $241,727 in 1979.

Assets

As of Jan. 31	1980	1979
Cash	$ 204,004	$ 289,288
Accts. & notes receiv. net	1,244,782	1,215,333
* Inventories	1,709,135	1,497,878
Other assets	104,881	187,395
Curr. assets held for dispos.	—	1,283,137
Current Assets	$ 3,262,802	$ 4,473,031
#Fixed assets	481,657	5,076,775
Investment	428,476	409,476
Defer. charges & other assets	43,850	119,750
Intangibles	208,004	208,004
Total Assets	$ 4,424,789	$ 10,287,036

Liabilities

Long-term debt, curr.	$ 283,334	$ 480,504
Accts. payable	893,141	1,112,612
Accruals	691,788	796,198
Discont. oper. costs	363,429	2,345,545
Curr. Liabilities	$ 2,231,692	$ 4,734,859
Long-term debt	14,440,117	19,245,723
Defer. gain	409,111	933,000
Other liabilities	1,850,216	1,638,587
+ Conv. pref. stock	800,000	—
+ Common stock	2,065,911	1,665,911
Common conv. pref. stock issuable	—	1,200,000
Common stock warrants	234	—
Add. paid-in capital	9,613,628	9,613,628
Deficit	(26,958,327)	(28,716,879)
Treasury stock	(27,793)	(27,793)
Total Liabilities & Shareholders' Equity	$ 4,424,789	$ 10,287,036

* At lower of cost (FIFO & average) or market.
# Less accumulated depreciation & amortization.
+ $1 par value.

Wells-Gardner Electronics Corporation

2701 North Kildare Avenue
Chicago, Illinois 60639
(312) 252-8220

Officers: Albert S. Wells, Jr., president and chief executive officer; vice presidents: Allan Gardner-sales mgr., Trevor L. Jones, Jr.-engineering, Arthur Greenslade-electronics production mgr., Merrill I. Nelson, dir. of materials; Anthony I. Blase, secretary & treasurer.

Directors: Anthony I. Blase, T.S. Corwin, Allan Gardner, Frank S. Righeimer, Jr., Albert S. Wells, Jr.

Areas of Work: Engaged in the manufacture and assembly of television receivers, intrusion alarms, game monitors and game cabinets.

Transfer Agent(s):

Harris Trust & Savings Bank of Chicago
111 West Monroe Street
Chicago, Illinois 60603

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WELT (NASDAQ)

Number of Employees:

1980	480	1977	326
1979	430	1976	419
1978	390		

Plant Footage:

1980	330,000 sq. ft.	1977	330,000
1979	330,000	1976	330,000
1978	330,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 28,708,000	$ 3,129,480
1979	20,423,000	762,099
1978	14,016,000	(941,000)
1977	8,176,000	(2,976,000)
1976	14,629,000	(1,148,772)

	No. of Com. Shares ‡	Earn. per Share ‡
1980	858,523	$3.65
1979	828,160	0.92
1978	828,160	—
1977	828,160	—
1976	828,160	—

(Loss)
‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.05	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 6,367,789	$7.42
1979	3,222,453	3.89
1978	2,460,354	2.97
1977	3,401,700	4.11
1976	6,377,259	7.70

† Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 28,707,814	$ 20,422,948
Cost of sales	24,105,846	18,159,974
Expenses	2,329,491	1,371,867
Other income	(1,062,421)	(127,961)
Interest expense	205,418	256,969
Net Income	$ 3,129,480	$ 762,099

* Included in Costs and Expenses, Depreciation: $198,041 in 1980 and $195,762 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 3,172,758	$ 1,151,229
Accts. receiv., net	4,911,069	1,723,800
* Inventories	2,337,970	3,668,547
Prepaid expenses	117,949	272.281
Current Assets	$ 10,539,746	$ 6,815,857
# Fixed assets	1,019,536	963,595
Total Assets	$ 11,559,282	$ 7,779,452

Liabilities

	1980	1979
Notes payable	$ —	$ 256,024
Long-term debt, curr.	207,000	64,000
Accts. payable	2,599,601	1,624,671
Accruals	1,004,613	980,971
Curr. Liabilities	$ 3,811,214	$ 2,925,666
Long-term debt	1,380,279	1,631,333
+ Common stock	878,960	439,480
Add. paid-in capital	257,015	292,633
Retained earnings	5,486,854	2,838,944
Treasury stock	(255,040)	(348,604)
Total Liabilities & Shareholders' Equity	$ 11,559,282	$ 7,779,452

* At cost (LIFO) which is less than market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Net Income to Sales	10.90	3.73
%Net Income to Equity	49.15	23.65
Sales to Inventories	12.28	5.57
Working Capital	$ 6,728,532	$ 3,890,191
Current Ratio	2.77	2.33
Shareholders' Equity	$ 6,367,789	$ 3,222,453

Western Digital Corporation

3128 Red Hill Avenue
Newport Beach, California 92663
(714) 557-3550

Officers: Charles W. Missler, chairman of the board, chief executive officer & president; Joseph Baia, sr. v.p.-operations; Charles A. Von Urff, v.p. & gen. mgr., telecommunications div.; Orville R. Baker, v.p. & gen. mgr., energy management systems;Luke W. Dru, v.p.-engineering & chief technical officer; Michael J. Lewis, v.p.-finance & administration, chief financial officer, & asst. secretary; Alan J. Mattal, v.p.-sales; Guelda L. Shotto, secretary.

Directors: Charles W. Missler, chairman of the board; Joseph Baia, Donn B. Tatum, William C. May, John F. Hughes, James H. Langworthy, Walter A. Frome, William B. Rieke.

Areas of Work: Engaged in the design, development, manufacture and sale of certain types of semiconductor products. Utilizing silicon gatte MOS tecchnology, develops a broad line of products and services which include over 100 semiconductor componets and board level systems for use in the telecommunications, computer and industrial control markets.

Divisions:

Telecommunications Division
Addresses the digital communications market with proprietary products for interface logic, protocol control, and secure communications.

Computer Products Division
Manufactures file management devices and specialized 16-bit microprogrammed microprocessors.

Energy Management Systems Division
Involved in the application of microelectronics to replace mechanical and electro-mechanical controls.

Subsidiaries:

Western Digital (Malaysia) SDN BHD
Kuala Lumpur, Malaysia
Assembles semiconductor devices.

The Microengine Company
Newport Beach, California
Designs, manufactures and markets 16-bit microprocessor-based computer components and systems.

Western Digital Development Corporation
Newport Beach, California
Manages the Company's development financing program.

Controlled Energy, Inc.
Riverside, California
Designs, assembles and tests board level electronic systems, and digital thermostats.

Transfer Agent(s):

United California Bank
707 Wilshire Boulevard
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WDCL (NASDAQA)

Plant Footage:

1980 . . . . . . 50,000 sq. ft. 1979 50,000

Sales and Earnings

	Revenues	Net Income
1980	$ 20,603,000	$ 678,000
1979	10,322,000	1,000
1978	6,988,000	(541,000)
1977	4,703,000	(1,071,000)
1976	9,055,000	(4,163,000)

	No. of Com. Shares	Earn. per Share
1980	8,504,192	$0.05
1979	8,168,830	—
1978	8,172,917	—
1977	1,405,630	—

(Loss)

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 3,545,000	$0.42
1979	1,629,000	0.20
1978	1,620,000	0.20
1977	(3,677,000)	—

(Deficiency)

Income Account *

Year ended June 30	1980	1979
Net sales	$ 20,351,000	$ 10,052,000
Other revenue	252,000	270,000
Total revenue	$ 20,603,000	$ 10,322,000
Cost of sales	11,519,000	6,057,000
Expenses	6.474,000	3,786,000
Interest expense	960,000	476,000
Income bef. taxes	$ 1,650,000	$ 3,000
Income taxes	972,000	2,000
Net Income	$ 678,000	$ 1,000

* Included in Costs and Expenses, Depreciation and Amortization: $908,000 in 1980 and $919,000 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 111,000	$ 49,000
Accts. rec., net	4,966,000	2,559,000
* Inventories	6,692,000	3,372,000
Prepaid expenses	50,000	95,000
Deferred state inc. taxes	153,000	—
Current Assets	$ 11,972,000	$ 6,075,000
# Fixed assets	1,825,000	1,900,000
Other assets	222,000	119,000
Total Assets	$ 14,019,000	$ 8,094,000

Liabilities

	1980	1979
Long-term debt, curr.	$ 1,483,000	$ 57,000
Accounts payable	2,745,000	759,000
Accruals	774,000	469,000
Income taxes	247,000	1,000
State income taxes	478,000	—
Current Liabilities	$ 5,727,000	$ 1,286,000
Long-term debt	4,747,000	5,179,000
+ Common stock	850,000	817,000
Add. paid-in capital	2,017,000	1,082,000
Retained earnings	679,000	1,000
Notes receivable	—	(270,000)
Treasury stock	(1,000)	(1,000)
Total Liabilities & Shareholders' Equity	$ 14,019,000	$ 8,094,000

* At lower of cost (FIFO) or net realizable value.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.11	0.03
%Net Income to Sales	3.33	0.01
%Net Income to Equity	19.13	0.06
Working Capital	$ 6,245,000	$ 4,789,000
Current Ratio	2.09	4.72
Shareholders' Equity	$ 3,545,000	$ 1,629,000

Western Marine Electronics Company

905 Dexter Avenue North
Seattle, Washington 98109
(206) 285-2420

Officers: Bruce H. Blakey, president; Cheryl Owens, vice president & treasurer.

Directors: Bruce H. Blakey, Donald Faulkner, Cheryl Owens, Susan Sudderth, Wells B. McCurdy.

Areas of Work: Designs, manufactures and sells marine sonar equipment and industrial ultrasonic measuring devices and equipment, all of which are based on the principle of measuring distances by means of sound traveling through water or air. It also manufactures vapor detection equipment for monitoring hazadous vapors in industrial and other locations.

Divisions and Subsidiaries:

Marine Group
Marketing division for equipment ranging from commercial fishing sonar to highly precise research sonar.

Industrial Group
Included in the product lines are 25 types of industrial level measurement and control equipment; Automated Material Handling equipment and vapor detection and flow measurement and control equipment.

Industrial Systems Division
Markets larger level measurement and control equipment, such as the LM2000 and the Automated Material Handling Systems.

Sensor Products Division
Markets single point ultrasonic level detectors and some mechanical measuring devices.

Environmental Measurement Systems (EMS)
Markets products that are needed by industry and municipalities to measure and control effluents and various polluting by-products.

Pacific Marine Leasing

Wesmar International (DISC)

Western Marine Electronics Company

Wesmar Marine Center, Inc.

Operates 13 retail outlets selling the company's marine electronic products.

Transfer Agent(s):

Rainier National Bank
P.O. Box C22407
Seattle, Washington 98124

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WMAR (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1980	$ 6,806,324	$ 614,283
1979	6,766,668	872,885
1978	9,189,243	2,136,286
1977	8,165,623	1,831,635
1976	5,671,288	1,158,088

	No. of Com. Shares #	Earn.per Share #
1980	1,093,691	$0.56
1979	1,102,025	0.79
1978	1,104,000	1.94
1977	1,104,000	1.66
1976	1,095,300	1.06

# Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$0.15	—	—
1979	—	1%	—
1978	0.15	—	—
1977	0.15	—	3-for-1
1976	0.13	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 7,613,818	$6.96
1979	7,618,648	6.86
1978	6,951,366	6.24
1977	4,980,680	4.15
1976	3,314,645	3.03

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 6,806,324	$ 6,766,668
Cost of sales	2,967,433	3,012,069
Expenses	2,915,608	2,410,714
Income before taxes	$ 923,283	$ 1,343,885
Income taxes	309,000	471,000
Net Income	$ 614,283	$ 872,885

* Included in Costs and Expenses, Depreciation: $435,600 in 1980 and $486,281 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 2,468,376	$ 1,281,292
Accts. receiv., net	725,913	1,687,859
*Inventories	2,174,366	2,351,168
Prepaid income taxes	89,021	—
Prepaid expenses	48,606	25,878
Current Assets	$ 5,506,282	$ 5,436,197
# Fixed assets	2,867,850	3,030,833
Total Assets	$ 8,374,132	$ 8,377,030

Liabilities

Accts. payable	$ 448,718	$ 362,632
Accrued taxes	115,596	100,629
Income taxes	—	110,121
Curr. Liabilities	$ 564,314	$ 573,382
Deferred inc. taxes	196,000	185,000
+ Common stock	697,747	697,747
Retained earnings	7,426,388	6,977,086
Treasury stock	(510,317)	(56,185)
Total Liabilities & Shareholders' Equity	$ 8,374,132	$ 8,377,030

*At lower of average cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	13.57	19.86
%Net Income to Sales	9.02	12.90
%Net Income to Equity	8.07	11.46
Sales to Inventories	3.13	2.88
Working Capital	$ 4,941,968	$ 4,772,815
Current Ratio	9.76	9.32
Shareholders' Equity	$ 7,613,818	$ 7,618,648

Western Microwave Laboratories, Inc.

1271 Reamwood Avenue
Sunnyvale, California 94086
(408) 734-1631

Officers: R.A. Craig, v.p.-engineering; E.V. Lanes, acting president, vice president & secretary; B.B. Williams, Jr., treasurer.

Directors: M.C. Hone, H.E. Rumsey, J.K. Leidecker, W.H. Kuntz.

Areas of Work: Develops and manufactures microwave ferrite components (isolators and circulators) and microwave integrated components (RF front end assemblies, mixers, isolator couplers and image reject mixers) for commercial and military applications.

Transfer Agent(s):

Bank of America N.T. & S.A.
16th Floor
World Headquarters Building
P.O. Box 37002
San Francisco, California 94120

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	75	1977	75
1979	89	1976	65
1978	84		

Plant Footage:

1980	25,000 sq. ft.	1977	16,700
1979	25,000	1976	14,000
1978	16,700		

Sales and Earnings

	Net Sales #	Net Income ‡
1980	$ 3,457,903	$ 101,214
1979	3,064,579	216,540
1978	2,701,228	126,423
1977	2,101,256	(12,426)
1976	2,409,675	321,115

	No. of Com. Shares	Earn. per Share ‡
1980	1,005,999	$0.10
1979	1,005,899	0.21
1978	946,291	0.13
1977	942,041	—
1976	939,441	0.34

(Loss)
‡ Including extraordinary gains of $27,309 ($0.03 per share) in 1980, $83,000 ($0.08 per share) in 1979, $47,000 ($0.05 per share) in 1978, and $138,000 ($0.14 per share) in 1976.
# Of continuing operations only.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,499,997	$1.49
1979	1,398,645	1.39
1978	1,151,968	1.22
1977	1,023,420	1.09
1976	1,034,471	1.10

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 3,457,903	$ 3,064,579
Cost of sales	2,512,090	2,165,184
Expenses	861,362	690,572
Other income	(26,422)	(39,312)
Interest expense	6,012	10,595
Income bef. taxes	$ 104,861	$ 237,540
Income taxes	30,956	104,000
Net Income	$ 73,905	$ 133,540
Extraord. gain	27,309	83,000
Net Income & extraord. gain	$ 101,214	$ 216,540

* Included in Costs and Expenses, Depreciation and Amortization: $151,507 in 1980 and $123,536 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 225,243	$ 184,168
Accts. receiv., net	471,679	604,315
Notes receivable	21,273	—
* Inventories	650,424	534,616
Prepaid expenses	40,405	22,971
Deferred taxes	6,200	11,000
Current Assets	$ 1,415,224	$ 1,357,070
# Fixed assets	337,764	450,973
Other assets	9,755	24,402
Total Assets	$ 1,799,708	$ 1,832,445

Liabilities

Long-term debt, curr.	$ 17,056	$ 38,912
Accts. payable	197,973	235,336
Accruals	67,882	128,351
Curr. Liabilities	$ 282,911	$ 402,599
Long-term debt	16,800	31,201
+ Common stock	100,599	100,589
Add. paid-in capital	2,400,171	2,400,043
Retained earnings (deficit)	(1,000,773)	(1,101,987)
Total Liabilities & Shareholders' Equity	$ 1,799,708	$ 1,832,445

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.03	7.75
%Net Income to Sales	2.14	4.36
%Net Income to Equity	4.93	9.55
Sales to Inventories	5.32	5.73
Working Capital	$ 1,132,313	$ 954,471
Current Ratio	5.00	3.37
Shareholders' Equity	$ 1,499,997	$ 1,398,645

Western Pacific Industries Inc.

345 Park Avenue
New York, New York 10154
(212) 751-6464

Officers: Howard A. Newman, chairman of the board & chief executive officer; William C. Scott, president; Roger F. Haskell, treasurer; Clarke Brinckerhoff, secretary; J.J. Smith, v.p.-finance; Clare Chervenak, asst. secretary.

Directors: Howard A. Newman*, chairman, Coates F. Bateman, A. Leon Fergenson*, Anson C. Fyler, Robert H. Haines*, Robert V. Hansberger, Robert A. Kavesh, Joseph R. McCormick, William C. Scott*, Jerry I. Speyer, Robert L. Tetro.

*Member of Executive Committee.

Areas of Work: Owns four operating companies which supply precision products, equipment and parts to industry throughout the world.

Subsidiaries:

Veeder-Root Company
Hartford, Connecticut
Designs, manufactures and markets equipment to measure, indicate, record, count and control any motion that can be sensed by mechanical, electrical and electronic inputs, or through the flow of liquids or gases.

Veeder-Root Limited
Dundee, Scotland

Veeder-Root do Brasil
Sao Paulo, Brasil

Veeder-Root GmbH
Stuttgart, West Germany

Veeder-Root of Canada Limited
Toronto, Canada

Veeder-Root (Australia) Pty Limited
Melbourne, Australia

Veeder-Root S.A.R.L.
Paris, France

Veeder-Root ApS
Copenhagen, Denmark

Holo-Krome Company
West Hartford, Connecticut
Anaheim, California
Manufactures and markets hexagon-socket screws and special headed parts needed by a wide range of industries, such as machinery, machine tools, electronics, office equipment and transportation.

HoloKrome Limited
Dundee, Scotland
Birmingham, England

Holo-Krome Australia Pty Limited (51% owned)
Melbourne, Australia

Mac-it Company
Lancaster, Pennsylvania

Iseli Company
Terryville, Connecticut
Walworth, Wisconsin
Produces precision parts for such products as watches, cameras, missiles, cigarette lighters, electronic instrument, and automotive systems.

A.L. Hyde Company
Grenloch, New Jersey
Manufactures industrial plastic moldings for such applications as natural gas pipe fittings, marine pumps and battery cases; extruded thermoplastic rod, tube and sheet for customer fabrications and machining.

Transfer Agent(s):

Manufacturers Hanover Trust Company
Four New York Plaza
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: WPI

Number of Employees:

1980	5,110	1978	4,500
1979	5,560		

Plant Footage:

1980	1,732,000 sq.ft.	1978	1,710,000
1979	1,732,000		

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1980	$ 249,278	$ 28,889
1979	194,522	29,143
1978	148,254	(46,799)
1977	123,161	20,233
1976	100,495	8,883

	No. of Com. Shares	Earn. per Share #
1980	2,349,442	$11.68
1979	2,615,542	10.64
1978	3,061,116	—
1977	3,163,995	6.34
1976	3,195,377	2.80

(Loss)
† Of continuing operations only.
# Based on the weighted average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Counting devices	$ 181,545	$ 129,625
Industrial precision fasteners	39,522	38,747
Industrial precision components	28,211	26,150
Total	$ 249,278	$ 194,522

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$ —	—	—
1979	23.75	—	—
1978	1.00	—	—
1977	0.25	—	—
1976	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 87,681,000	$37.32
1979	69,261,000	26.48
1978	123,543,000	40.36
1977	178,128,000	56.30
1976	159,432,000	49.89

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 249,278	$ 194,522
Cost of sales	150,749	109,124
Expenses	42,793	35,731
Other income	(4,449)	(8,231)
Interest expense	4,122	3,042
Other expense (income)	1,717	(366)
Income before taxes	$ 54,346	$ 55,222
Income taxes	25,457	26,079
Net Income	$ 28,889	$ 29,143

*Included in Costs and Expenses, Depreciation and Amortization: $9,055,000 in 1980 and $5,613,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 52,732	$ 20,376
Marketable securities	6,863	244
Accts. receiv., net	33,527	35,056
*Inventories	45,265	38,208
Other assets	5,416	2,457
Recov. inc. taxes	—	17,679
Current Assets	$ 143,803	$ 114,020
# Fixed assets	26,546	25,331
Other assets	1,814	1,103
Total Assets	$ 172,163	$ 140,454

Liabilities
(000's)

Bank loans	$ 2,599	$ 12,584
Long-term debt. curr.	668	923
Accts. payable & accruals	27,771	21,150
Income taxes	19,997	8,916
Curr. Liabilities	$ 51,035	$ 43,573
Long term debt	26,487	24,028
Other liabilities	6,960	3,592
+ Common stock	3,411	3,411
Add. paid-in capital	61,940	61,933
Retained earnings	61,306	32,417
Treasury stock	(38,976)	(28,500)
Total Liabilities & Shareholders' Equity	$ 172,163	$ 140,454

*Domestic at cost (LIFO) not in excess of market; foreign at standard cost.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	21.80	28.39
%Net Income to Sales	11.59	14.98
%Net Income to Equity	32.95	42.08
Sales to Inventories	5.51	5.09
Working Capital	$ 92,768,000	$ 70,447,000
Current Ratio	2.82	2.62
Shareholders' Equity	$ 87,681,000	$ 69,261,000

Westinghouse Canada Inc.

(93.3% owned by Westinghouse Electric Corporation)

286 Sanford Avenue North
P.O. Box 510
Hamilton, Ontario, Canada L8N 3K2
(416) 528-8811

Officers: D.C. Marrs, chairman of the board; F.H. Tyaack, president & chief exec. officer; vice presidents: G.O. Bernhardt -Components & Construction Group, J.K. Carman-marketing & strategic resources; C.A. Kain -Industrial Products Group, E.A. Taylor-personnel, W.J. McNicol -Power Systems Group, J. Nairn, WESCO -Westinghouse Sales and Distribution Co.; D.I.W. Bruce, general counsel & secretary; E.B. Priestner, v.p.-finance; Alexander A. McArthur, dir., corp communications; O.C. Shewfelt, comptroller; R.H. Broad, treasurer; I.W.M. Hendry, asst. secretary; J.D. Keppy, asst. treasurer.

Directors: E.J. Cattabiani, A.F. Downing,, L.Y. Fortier, D.I.W. Bruce, A.T. Lambert, W.P. Pigott, D.C. Marrs, L. W. Yochum, M.J. McDonough, R.W. Campbell, F.H. Tyaack, J.C. Marous, D.D. Stark.

Westinghouse Canada Inc.

Areas of Work: Manufactures a wide range of electrical apparatus, electronic equipment, lighting and mechanical products, including steam and gas turbines, switchgear, industrial controls, transformers, motors, meters, instruments, relays, panelboards, switchboards, elevators, power and control centers and electric heating products; air conditioners, semiconductors, lighting systems, incandescent, fluorescent and mercury vapor lamps; electronics products, systems and engineering consulting services for commercial and defense applications; fluid power products and systems; nuclear fuels, special nuclear components, and atomic reactor components. The Company also conducts research in the field of atomic energy.

Divisions and Subsidiaries:

Power Systems Group

Turbine and Generator Division
P.O. Box 510
286 Sanford Avenue North
Hamilton, Ontario L8N 3K2
(416) 528-8811

Transformer and Distribution Apparatus Division
P.O. Box 510
286 Sanford Avenue North
Hamilton, Ontario L8N 3K2
(416) 528-8811

Atomic Power Division
P.O. Box 510
606 Aberdeen Avenue
Hamilton, Ontario L8N 3K2
(416) 528-8811

Utility Sales Division
P.O. Box 510
286 Sanford Avenue North
Hamilton, Ontario L8N 3K2
(416) 528-8811

Industrial Group

Motor Division
P.O. Box 510
286 Burlington Street East
Hamilton, Ontario
(416) 528-8811

Switchgear and Control Division
P.O. Box 510
606 Aberdeen Avenue
Hamilton, Ontario
(416) 528-8811

Industry Services Division
P.O. Box 510
717 Woodward Avenue
Hamilton, Ontario
(416) 528-8811

Industrial Products Division
P.O. Box 370
160 Vanier Street
Saint-Jean, P.Q.
(514) 347-5361

Components and Construction Group

Lamp Interior Lighting and Outdoor Lighting Division
P.O. Box 1089
3350 Royale Boulevard
Trois-Rivieres, P.Q.
(819) 378-6161

Electronics Systems Division
P.O. Box 510
175 Longwood Road South
Hamilton, Ontario
(416) 582-8811

Air Conditioning Division
492 Speers Road
Oakville, Ontario
(416) 844-0244

Elevator Division
1 Westside Drive
Etobicoke 653, Ontario
(415) 622-1020

WESCO-Westinghouse Sales & Distribution Co.
801 York Mills Road
Don Mills 404, Ontario
(416) 445-0550

Transfer Agent(s):

National Trust Co. Limited
21 King Street E.
Toronto, Ontario, Canada M5C 1B3

Stock Exchange(s): Toronto

Ticker Symbol: CWH

Number of Employees:

1980	7,300	1977	7,400
1979	7,000	1976	9,700
1978	7,300		

Sales and Earnings ‡

	Net Sales	Net Income #
1980	$ 570,115,000	$ 29,812,000
1979	496,253,000	26,049,000
1978	398,299,000	8,691,000
1977	430,962,000	15,429,000
1976	454,644,000	10,474,000

	No. of Com. Shares	Earn. per Share # +
1980	2,683,389	$11.11
1979	2,683,389	9.71
1978	2,683,389	3.24
1977	2,683,384	5.75
1976	2,683,383	3.90

‡ In Canadian dollars.

# Including extraordinary gain of $416,000 ($0.16 per share) in 1978, extraordinary charges of $812,000 ($0.30 per share) in 1979 and $3,360,000 ($1.25 per share) in 1976.

+ Based on the number of shares outstanding at the end of each month.

Revenues By Line of Business
(000's)

	1980	1979
Power systems	$ 176,888	$ 141,117
Industrial products	159,831	137,980
Components & construction	116,321	108,025
WESCO Sales & Distribution Company	256,578	223,080
Total	$ 709,618	$ 601,202
Elimination of intergroup sales	(143,273)	(117,193)
Other revenues	3,770	3,244
Total	$ 570,115	$ 496,253

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.50	—	—
1979	2.00	—	—
1978	1.50	—	—
1977	1.10	—	—
1976	1.00	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 169,569,000	$63.19
1979	146,465,000	54.58
1978	125,783,000	46.88
1977	121,117,000	45.14
1976	108,640,000	40.49

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 570,115	$ 496,253
Cost of sales	509,342	442,355
Depreciaton	6,812	5,787
Interest expense	1,326	552
Income before taxes	$ 52,632	$ 47,559
Income taxes	22,820	20,698
Net Income	$ 29,812	$ 26,861
Extraord. loss	—	(812)
Net Income & extraord. loss	$ 29,812	$ 26,049

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 598	$ 13,926
Accts. receiv., net	93,359	84,069
* Inventories	133,355	114,110
Other assets	2,034	1,994
Current Assets	$ 229,346	$ 214,099
# Fixed assets	65,431	52,659
Invest. & other assets	3,019	1,593
Total Assets	$ 297,796	$ 268,351

Liabilities
(000's)

Bank indebtness	$ 13,181	$ 844
Long-term debt	—	2,229
Accts. payable & accruals	79,547	78,211
Income taxes payable	7,845	12,500
Curr. Liabilities	$ 100,573	$ 93,784
Long-term debt	15,657	16,590
Deferred inc. taxes	11,997	11,512
+ Common stock	14,947	14,947
Retained earnings	154,622	131,518
Total Liabilities & Shareholders' Equity	$ 297,796	$ 268,351

* At lower of cost and net realizable value, less progress billings received on account.

# Less accumulated depreciation.

+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	9.23	9.58
%Net Income to Sales	5.23	5.41
%Net Income to Equity	17.58	18.34
Sales to Inventories	4.28	4.35
Working Capital	$ 128,773,000	$ 120,315,000
Current Ratio	2.28	2.28
Shareholders' Equity	$ 169,569,000	$ 146,465,000

Westinghouse Electric Corporation

Westinghouse Building
Gateway Center
Pittsburgh, Pennsylvania 15222
(412) 255-3800

Officers: Robert E. Kirby, chairman & chief exec. officer; Douglas D. Danforth, vice chairman & chief operating officer.

Power Systems Company: Gordon C. Hurlbert, president; E.J. Cattabiani, exec. v.p.-power generation; Theodore Stern, exec. v.p.-nuclear energy systems; A.L. Bethel, exec. v.p.-transmission & distribution; B.W. Morrison, v.p.-power systems marketing; N.A. Beldecos, v.p.-Power Generation Operations Div.; J.O. Campbell, v.p. exec. asst.; George W. Hardigg, v.p. exec. asst.; J.J. Taylor, v.p.-Water Reactor Divs.; Harry Weingarten, v.p.-Transformer Divisions; Joseph W. Baker, v.p.-Switchgear Divisions.

Industry Products Company: Edwin V. Clarke, Jr., president; D.D. Stark, exec. v.p.-components & materials; Robert P. Wagner, exec. v.p.-industry equipment; W.O.Carlsen, v.p.-Distribution Products Div.; Thomas P. Costello, v.p.-Motor Divs.; Jack J. Sherman, Jr., v.p.-industry products marketing; Paul E. Lego, exec. v.p.-Electronics & Control; Glen E. Nietfeld, pres.-Westinghouse Electric Supply Co.; C.E. Price, v.p.-Industry Services Divs.; James C. Sheehan, pres.-Thermo King Corp.; Philip F. Dietz, v.p.-Lamp Divisions.

Public Systems Company: Thomas J. Murrin, president; William A. Coates, exec. v.p.-construction; H.B. Smith, exec. v.p.-defense; H. Joe Frazier, pres.-community development; D.W. Neukranz, pres.-Westinghouse Elevator Co.; Barton S. Brodkin, pres.-Beverage Group; R. V. Gavert, Jr. exec. v.p.-learning & leisure.

Westinghouse Broadcasting Company: Donald H. McGannon, chairman; Daniel L. Ritchie, president & chief exec. officer; Loe W. Yochum, sr. exec. v.p.-finance; M.J. McDonough, sr. exec. v.p.-corp. resources; John B. Ferguson, v.p. & controller;Harry F. Murray, v.p.-pension investments & investor relations; Donald C. Korb, v.p. & treasurer; Robert F. Pugliese, v.p. general counsel & secretary; George F. Michlin, v.p. research & development; Donald J. Provejsil, v.p.-corporate planning; August W. Frisch, v.p. & gen. tax sounsel; J.R. McClester, pres.-Westinghouse Credit Corp.; Nicholas V. Petrou, v.p.; David L. Trezise, v.p.-personnel; Francis P. Cotter, v.p.-gov't affairs; Earle W. DuBois, v.p.-corp. relations; L. Jerry Hudspeth, v.p.-corp. productivity; Richard L. Reinhart, v.p. -human resources; Samuel F. Davies, Jr., v.p. -Atlantic Region; John E. Goetz, Jr., v.p. -Western Region; David L. Litten, v.p. -Midwestern Region; William S.A. McIntyre, v.p.-Central Region; Charles D. Paine, v.p. -Southwestern Region; Howard J. Thomas, v.p. -Northeastern Region; J. Stanley Wyble, v.p. -Southwestern Region.

Corporate World Relations: John C. Marous, Jr. president; C.A. Sadlow, president, Europe, Middle East & Africa; T.N. Humphreville, president, Latin America; C.F. Obermesser, president Asia - Pacific; F.H. Tyaack, president, Westinghouse Canada Inc.; Clovis F. Obermesser, pres., Asia-Pacific; Robert L. Wells, v.p.

Directors: R. Burt Gookin*, Donald F. Hornig, Robert E. Kirby*, John F. McGillicuddy, Roger Milliken*, Richard R. Pivirotto, Douglas D. Danforth, Hobart Taylor, Jr*, David T. McLaughlin*, O. Pendleton Thomas, Hays T. Watkins, Barbara H. Franklin.

*Member of the Executive Committee.

Areas of Work: The principal business activity of Westinghouse is the manufacture and sale of equipment for the generation, transmission, utilization and control of electricity. Included among the products of the Corporation are electrical and mechanical equipment required by power companies, railroads, city transit systems and industrial plants, propulsion and electrical equipment for the United States Navy and the marine industry; electrical and electronic systems, instrumentation and other equipment for the aerospace industry.

Westinghouse develops, designs and furnishes nuclear power plants, equipment and fuel for the generation of electricity.

Some Westinghouse products, such as motors and control devices, are used by other manufacturers as components for their products. The Corporation is an important manufacturer of military products for the United States Government.

Westinghouse supplies products to the construction industry and engages in conventional construction activities. It also is engaged in land development and sales.

Westinghouse Broadcasting Company owns and operates 12 television and radio stations, in Baltimore, Boston, Charlotte, Chicago, Dallas, Fort Wayne, Houston, Philadelphia, Pittsburgh, Los Angeles, San Francisco and New York.

Westinghouse Learning Corporation offers various educational services and materials to schools; sells language instruction courses.

In leisure activities Westinghouse subsidiaries bottle and distribute various soft drink brands; manufacture, assemble and sell wrist watches and other timepieces under the Longines-Wittnauer, LeCoultre and Jubilee trade names.

Westinghouse Credit Corporation engages in the extension of credit in transactions secured by real or personal property and in leasing transactions including leverage leasing.

Westinghouse is engaged in the distribution outside the United States of electrical and other products, primarily those manufactured by Westinghouse. Such distribution is accomplished through a wholly owned subsidiary and through company representatives and independent distributors. The corporation also has a number of subsidiaries outside the United States, the majority of which are engaged in the manufacture and sale of electrical generation, transmission, utilization and control equipment, and consumer products.

Electronics & Related Division & Subsidiaries:

Advanced Reactors Division
Waltz Mill, Pennsylvania
Development of advanced designs and concepts of commercial atomic power, including breeder reactors. Comprehensive services in chemical analyses and postirradiation analyses and examination of nuclear fuel and reactor components.

Aerospace and Electronic Systems/Systems Development Divisions
Baltimore, Maryland
Producer of airborne and surface-based radars, communications, command and control, and related electronic systems. Aerospace activities include development and production of sophisticated avionics systems. These include advanced airborne ECM systems, weapon delivery systems, electro-optical systems for reconnaissance and remote sensing, and airborne surveillance radar for airborne early warning and control. Surface-based activities include tactical and shipboard radars, range instrumentation systems, strategic defense systems, and air traffic control systems. Military command and control systems, tactical and strategic communications, displays, and computer systems.

Aerospace Electrical Division
Lima, Ohio
Electric power systems, generator, motors, control apparatus, power conditioning and conversion equipment, and support equipment for military and commercial aircraft, missiles, spacecraft, undersea and ground vehicles.

Astronuclear Laboratory
Large, Pennsylvania
Nuclear, power-reactor and isotope-for space, terrestrial, underseas, and other advanced applications; high temperature materials development, and testing and application, thermoelectric environmental control systems, Silicon Carbide devices, non-destructive test equipment, high temperature thermocouples.

Bryant Division
Bridgeport, Connecticut
Wiring Devices; switches, receptacles, wall plates, plugs, connectors, lampholders and starters; outdoor fixtures for reflector backed lamps and photo electric
controls; circuit breakers and load centers; ground fault protectors and multimetering; electric heating; baseboard, ceiling cable, unit heaters, duct heaters, strip heaters, wall heaters.

Central-Residential Air Conditioning Division
Norman, Oklahoma
Packaged and split system air conditioning and heating equipment and accessories for residential applications; heat pumps, furnaces, air handling units, condensing units. Precipitron electronic air cleaners.

Commercial and Industrial Air Conditioning Division
Staunton, Virginia
Packaged and field assembled air conditioning and heating equipment for commercial and industrial application; centrifugal and reciprocating packaged water chilers; year round roof top air conditioners; air handling and ventilation equipment; engineered air conditioning and heat recovery systems.

Computer and Instrumentation and Industry Systems Divisions
Pittsburgh, Pennsylvania
Complete Digital, Analog and combined process control systems and related services for application in the following areas: Automative; Adaptive Control; Batch Blending; By-Products; Chemical; Cement; Communication; Data Acquisition, Collection and Processing; Dispatching and Distribution; Display; Electronic Component Testing; Environmental Measurements: Fluid Flow, Pressure, Temperature and Level; Gas Distribution; Glass; Heating and Air Conditioning; Machine Tool-Direct Numerical; Marine; Metallurgical; Mining and Ore Processing; Oxygen Monitoring and Control; Petro-Chemical; pH and Conductivity; Plastics, Pollution; Power Generation, Transmission and Distribution; Process Industries; Pulp and Paper; Refineries; Rubber; Security; Scientific; Security and Environmental; Steel; Supervisory; Systems Field Engineering; Customer Training; Trafic; Warehousing and Inventory; Water and Waste Treatment.

Control Products Division
Beaver, Pennsylvania
Control for motors; starters, contactors, relays, pushbuttons; safety switches and enclosed breakers. Numalogic Solid State Control.

Distribution Apparatus Division
Bloomington, Indiana
Capacitors; lightning arresters; fuse cutouts; surge protection devices; reclosers; vacuum circuit breakers; air loadbreak switches; oil switches; T-Tap switches, linetraps; potential devices.

Electric Distribution Laboratory
Coral Springs, Florida
Constant testing and evaluation conducted under actual living environmental conditions with variables introduced by the resident population, weather, etc., encompasses 70 homes and apartments in a new city subdivision permitting use of the latest technology in electric power distribution without traditional hindrance from normal constraints such as codes and legal requirements.

Electromechanical Division
Cheswick, Pennsylvania
Main coolant pumps, valves, control rod drive mechanisms, and other specialized apparatus for nuclear reactors; pumps for controlled circulation boilers.

Electronic Systems Support Division
Cockeysville, Maryland
Nuclear Instrumentation and Control Systems-military and commercial; Integrated Logistics Support Systems-technical training operations, supply support, maintenance planning, field integration and services, support equipment, technical data, facility planning; Electronic Protection Systems-for government and industry.

Westinghouse Elevator Company
Millburn, New Jersey
Manufacturing, sales, service, modernization and maintenance of elevators, escalators and walkways.

General Control Division
Buffalo, New York
Motor starters and controllers; special purpose control; control components; pilot devices; transfer switches.

Chicago, Illinois
Control centers and Type W Jr. group control.

Industry Equipment Division
Sykesville, Maryland
Electric arc welders; electron beam welders; electrodes, accessories; brazing alloys; Laser systems; power sources. Induction heating equipment, ultrasonic devices for cleaning and process equipment.

Industrial Systems Division
Buffalo, New York
Design and project management of large electrical drive systems and products for the industrial process and manufacturing systems and all the general industries. Component groupings include adjustable speed drives, crane drives, inverters, rectifiers, programmable controllers, numerical control and automatic material handling systems.

Industry Services Division
Pittsburgh, Pennsylvania

> Apparatus Service Divisions
> Pittsburgh, Pennsylvania
> 60 apparatus service plants and 75 engineering services locations strategically located domestically to service all industries around the clock. Modern facilities and engineering skills are available to maintain, repair and modernize mechanical and electrical equipment regardless of original manufacture. Also manufacturing and repair and engineering services are available at various location throughout the world.

Westinghouse Intrument Service Co.
Atlanta, Georgia
Instrumentation and control capabilities include installation, calibration, commissioning, start-up, maintenance, instrumentation repair facilities.

Westinghouse Non-Current Renewal Parts and Special Products Plant
Pittsburgh, Pennsylvania
Manufacturer of Specialty products including non-current apparatus and parts. Product lines include: A.C. and D.C. motors and gearmotors, transportation motors, industrial control, pushbuttons, knife switches, circuit breakers, pantagraphs, bolt heaters and carbon brushes.

Westinghouse Electric Corporation

Marine Division
Sunnyvale, California
Marine propulsion steam turbines and reduction gears; ship's service turbine generator sets: Nuclear components manufacture, Electrical, mechanical and shock mitigation components for missile and rocket programs, missile launching and handling equipment, sub-sea oil well equipment.

Meter Division
Releigh, North Carolina
Watthour, demand, recording meters, sockets and accessories. Pulse equipment for electric utility automated system analysis, planning, billing and environmental monitoring, and range timers.

Power Systems Planning
Advanced Systems Technology
Pittsburgh, Pennsylvania
Provides a large library of digital power system planning and analysis programs available through mail order consulting or via remote terminals. Operates Anacom analogue computer for transient analysis, mobile laboratories for field transient measuremenns, oscillography lab for field use, electromagnetic compatibility measurements. Contracts research and development services, from feasibility studies to project management and construction, for prototype systems in generation, transmission and distribution.

Relay-Instrument Division
Newark, New Jersey
Electrical measuring instruments of all types; protective relays and relaying systems; relay instrument switch-boards; control and data systems.

Research Laboratories
Pittsburgh, Pennsylvania
Basic and applied research in chemistry, physics, mathematics, energy systems, solid state sciences, solid state devices, materials, materials processing, instrumentation, systems, communication, control electronics, power electronics, oceanography, and georesearch. Work done primarily in suport of Westinghouse operating divisions, but also conducts contract research for the U.S. Government.

Semiconductor Division
Youngwood, Pennsylvania
Silicon rectifier diodes, silicon controlled recitifiers, silicon power transistors, silicon rectifier and controlled rectifier assemblies.

Specialty Trausformer Division
Greenville, Pennsylvania
Cores: specialty transformer, Saturable core inductor, Navy dry type transformers; constant voltage and filtering transformers; load centers 30 kva and below.

Switchgear Division
East Pittsburgh, Pennsylvania
Assembled switchgear; high voltage fuses, network protectors; generator voltage regulators and automatic synchronizers; disconnect switches, substation structures, switchgear components, medium and low voltage air circuit breakers; control switches (type W); switchgear accessories; draw-out load interrupter switchgear.

Transformer Divisions

Large Power Transformer Division
Muncie, Indiana
Power transformers above 30,000 kva: liquid immersed shunt reactors above 10,000 kvar, regulating and furnace transformers above 30,000 kva.

Medium Power Transformer Division
Sharon, Pennsylvania
Power transformers 10,001 to 60,000 kva; substation transformers 5,001 to 10,000 kva; grounding and rectifier transformers; dry type distribution transformers; dry type power center transformers 112-1/2 to 2500 kva; regulating and furnace transformers 30,000 kva and below; current and potential transformers; metering units.

Small Power Transformer Division
South Boston, Virginia
Liquid immersed (oil or Incrteen) auto transformers, network transformers; pad-mounted transformers; substation transformers and underground transformers 501 to 5,000 kva, and power center (secondary unit substations) 112-1/2 to 2500 kva.

Overhead Distribution Transformer Division
Athens, Georgia
Overhead liquid immersed distribution transformers.

Underground Distribution Transformer Division
Jefferson City, Missouri
Underground distribution transformers and equipment.

Oceanic Division
Annapolis, Maryland
Surveillance; sonar detection; data handling and display; instrumentation; oceanographic systems and equipment; flow meters; life support equipment; underwater systems, equipment and associated support items; torpedoes; advanced weapons; mine, weapon and CW countermeasures.

Westinghouse Tele-Computer Systems Corporation
Pittsburgh, Pennsylvania
A wide range of user-oriented problem-solving services involving both manual and computer-based information systems. Computing services, consulting services, data processing services, software services, tele-communications services; warehouse information systems.

Compagnie des Dispositifs Semiconducteurs
Westinghouse S.A.
B.P. 107
Avenue George-Durand
72 Le Mans, France
Assemblies, silicon rectifier and controlled rectifier; battery chargers; battery charging control; bridges, silicon rectifier and controlled rectifier, power supplies, de and battery chargers; rectifier assemblies; rectifier diodes, silicon; semiconductors; silicon controlled rectifiers; silicon rectifiers.

Fusibles Westinghouse de Puerto Rico, Inc.
Luquillo, Puerto Rico
Power fuses.

Induselet, S.A.
Osasco, S.P., Brazil
Circuit breakers; enclosed circuit breakers; power centers; reactors; substations, CSP, transformers, distribution; transformers, power.

Marimi and Aminelli S.A.
Sao Paulo, Brazil
Disconnect switches; automated circuit breakers; push buttons; minimum oil circuit breakers; power fuses; bus duct; outdoor disconnect switches; switchboard and cubicles.

Semiconductors Westinghouse, Inc.
Gurabo, Puerto Rico
Medium and high power thyristors, rectifiers and bridge assemblies.

Servicios Industriales Westinghouse
Una Division de Venwesa
Apartado 542
Zona Industrial
Maracaibo, Venezuela
Room air conditioners; circuit breakers; control centers; group control; motor controls; power, regulating, synchronizing systems; freezers; fuses, power; motors; network protectors; network protector relays; panelboards; power centers; power centers for construction applications; refrigerators, domestic; regulators; relators, feeder voltage; repair service; static exciters; substation structures; substations; switchboards; switches; switchgear, accessories switchgear, assembled; synchronizers, generator; transformers, distribution; power transformers; turbine supervisory instrumentation.

Standard-Waygood, Ltd.
P.O. Box 13 Miowera Road
Willawood, N.S.W., 2163, Australia
Electrical adjustable speed drives, hi-torque assemblies, silicon rectifier and controlled rectifier, bus duct; circuit breakers; control centers; control, crane and defense; control, general mill; control, group; control, machine tool; control, materials handling; control, metal mill; control, numerical; control systems, electrical; drives, adjustable speed, electrical; induction heating equipment; installation supervision, electrical apparatus; instructional services; inverters, staticlarge dc motors; network protectors; network protector relays; numerical control; panelboards; power centers; power supplies, dc and battery chargers; reactors; rectifier assemblies; rectifier equipment, power, regulated systems; regulators, feeder voltage; service, electric (field engineering); substations, CSP; switchboards; switchgear; systems, industrial; transformers; self-contained power, unit substations.

Transformadores Westinghouse, Inc.
P.O. Box 127
Road 30, K.M.6.0.Barrio Rincon
Gurabo, Puerto Rico 00658
Transformers for general purpose application.

Tubos Electronicos Westinghouse, Inc.
P.O. Box 127
Road 30. M.6.0. Barrio Rincon
Gurabo, Puerto Ric 00658
Electronic tubes.

Tyree Industries, Ltd.
P.O. Box 315
Liverpool, N.S.W. 2170, Australia
Capacitors; line traps, carrier; potential devicers, capacitor; reactors; power transformers; distribution transformers; instrument transformers.

Westinghouse Breakers, Inc.
Puerto Rico
Manufacture and assembly of circuit breakers.

Westinghouse Canada Limited
286 Sanford Avenue North
P.O. Box 510
Hamilton, Ontario, Canada
Adjustable speed drives-electrical; adjustable speed drives-mechanical, air cleaning units; air conditioners; central air conditioning; air handling lighting fixtures; air handling units; airport lighting regulators (solid state); lighting arresters; audio tone relaying systems; automatic dispatching control; automatic transfer switches; ballasts, lighting; bases, light bulb and electron tube; battery charging control; blowers; bus duct; bus, high voltage; capacitors; carrier relaying systems; circuit breakers; circuit breakers, molded case, loadcenter, circuit breakers, vacuum; commercial lighting; computerized metering systems; computers, digital; conductors, copper and aluminum; contactors, ac and dc; control centers; control components; control components, ac; control components, ac and dc; control, crane and defense; control devices; control, general mill; control, group; control, machine tool; control, materials handling; control, metal mill; control numerical; control special purpose; control, standard; control systems, electrical; control systems, chemical properties; control systems, electrical; control systems, chemical properties; control systems, combustion, flow and level, pressure and differential pressure, temperature-temperature difference; controls for motors; controls, supervisory and telemetering; cores for transformers; cutouts, fuse; dehumidifiers, residential; direct current HV transmission equipment systems; dishwashers; displays, CRT alphanumeric and graphical (WAND) ® drives; drum controllers; dry cleaners, commercial dryers electric and gas; duct heaters, gas and electric; Dumet (copperclad); electric stairways; electric space heaters, baseboard heaters; electric walks; electric tubes; electrostaticair filters; Precipitron ®, elevators, electric geared and gearless, hydraulic; enclosed circuit breakers; energy storage equipment; environmental data systems; fans; filaments, tungsten, fluorescent lamps; food waste disposers; freezers, fuses and fuse links; fuses power; gas turbines, land; gear units; gearmotors; gears, railway; ground fault protectors; heaters, electric; heaters, portable; housewares, electric; blankets, blenders, can openers, coffee makers, knives, food mixers, fry pans, hair stylers, irons, kettles, toasters, automatic; hydraulic products; industrial lighting; infra-red heaters, electric; installation supervision, electrical apparatus; instructional services; instrument auxiliary equipment; instruments, analog; integrated circuits; interlocks; inverters, static; lamps; Laundromat ® automatic washers; lead-in wires, lamp and electronic tube; lighting, outdoor fluorescent, incandescent, mercury vapor, quartz.sodium; lighting fixtures; lighting, interior lighting, specialty interior; lights, indicating control; line tracing electronic systems(Linatrol ®); line traps, carrier, liquid dielectrics, oil and Inerteen ®; load centers, circuit breaker; mercury lighting; metals; Hi-purity single crystal; meter accessories, watthour, meters, demand; meters, mine-hoists friction treads. Westoflex ®; mine-hoists (Select-A-Level ®; molybdenum-wire, rod, powder; motor starters and controllers; motors, ac integral hp, thru frame 449T; multimetering; network protectors; network protector relays; numerical control; panel instruments; panelboards; phonographs; photo-electric controles; pilot devices; pilot wire relaying systems; portable instruments; potential devices, capacitor; power centers; power centers for construction applications; power supplies, dc; power supplies, dc and battery chargers; protective devices, surge; protective relays, electromechanical and solid state; protective relays, general purpose overboard control; pulse recorders; pulse totalizing equipment; pumping control, duplex, irrigation, oil well; push-buttons; radios; ranges, electric; range timers (consumer); reactors; reactors, charging; reactors, saturable core reclosers; recording instruments; rectifier equipment, power; reflectors, outdoor lighting; refrigeration; refrigerators, domestic; regulated systems; regulators; feeder voltage; relaying systems; relay-instrument switchboards; relays; relays, protective, solid state, and electromechanical; relays, solid state; relays for roadway lighting; repair service; roadway lighting safety switches; sectionalizers, automatic line; service, electric (field engineering); sewage treatment plants, packages; sockets and

mountings, meter, sonar devices; speciality lighting products; speed measuring systems; speed reducers; stabilized camera and sensor mounts with high resolution, (WESSCAM *); starters for electric motors; static exciters; steam laboratory demonstration unit; steam turbine generators, land; Sterilamp equipment; strip heaters; substation structures; substations; CSP, surge protection equipment; supervisory control and telemetering; switchboard instrument; switchboards, relay-instrument; switchboards; switches, switches for roadway lighting; switches, load pick-up; switchgear; switchgear assembles with mini-oil circuit breakers up to 35kv; switchgear accessories; switchgear, assembled; switch houses; systems, industrial; synchronizers, generator, systems, relaying and supervisory control; tape recorders; terminal blocks; thorium; thyristor drives and power supplies (water-cooled); timers, ranger (consumer); transducers, current; transducers, instrument; transfer instrument; transfer switches, automatic transformers, dry type; transformers for roadway lighting; transformer protective devices; transformers, distribution; transformers, power, transformers, specialty; tranlation equipment turbine supervisory instrumentation; tubing, glass and quatz, T.V. unit heaters, electric; unit substations, self-contained; ventilating sets; water-cooled lighting fixtures; water coolers; water heaters; water tank thermostats; wire-Dumet; wire forms; wire, magnet; wiring devices.

Westinghouse de Venezuela, S.A.
Div. Pantallas de Television
Apartado 1889
Caracas, Venezuela

Electronic tubes, TV picture tubes.

Westinghouse S.A.
Avenida Jose Antonio 10
Madrid 14, Spain

Circuit breakers, panelboards, ac motors, dc motors, distribution transformers, metal enclosed switchgear, motor control centers, nuclear power plant generators, power transformers, station arresters, synchronous motors. Thermalastic insulation system, transportation control systems, turbo generators, static voltage regulators.

Transfer Agent(s):

Chemical Bank (common & preferred stock)
Corporate Trust Department
P.O. Box 25966
Church Street Station
New York, New York 10249

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Crocker National Bank
P.O. Box 38005
Rincon Annex
San Francisco, California 94138

Mellon Bank, N.A.
Stock Transfer Department
P.O. Box 444
Pittsburgh, Pennsylvania 15230

Stock Exchange(s): New York, Boston, Philadelphia, Midwest, Pacific.

Ticker Symbol: WX

Number of Employees:

1980	145,513	1977	141,394
1979	145,254	1976	160,945
1978	141,776		

Plant Footage:

1980	48,231,900 sq.ft.	1977	48,231,900
1979	48,231,900	1976	61,555,000
1978	48,231,900		

Sales and Earnings

	Net Sales + (000's)	Net Income † (000's)
1980	$ 8,514,300	$ 402,900
1979	7,443,100	(73,900)
1978	6,779,800	311,300
1977	6,221,100	271,300
1976	6,220,900	223,200

	No. of Com. Share ‡	Earn. per Share ‡†
1980	85,365,035	$4.71
1979	85,875,985	—
1978	86,411,345	2.81
1977	87,328,526	2.86
1976	87,492,151	2.54

(Loss)
+ Of continuing operations only.
† Including extraordinary losses of $405,000,000 ($4.72 per share) in 1979, $67,900,000 ($0.78 per share) in 1978 and $20,500,000 ($0.24 per share) in 1977.
‡ Based on the average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Power systems	$ 2,998,200	$ 2,675,700
Industry products	3,227,400	2,907,900
Public systems	2,245,200	1,805,800
Broadcasting	266,500	218,900
Other	115,400	105,000
Total	$ 8,852,700	$ 7,713,300

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.40	—	—
1979	0.972	—	—
1978	0.972	—	—
1977	0.972	—	—
1976	0.972	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share #
1980	$2,529,000,000	$29.81
1979	2,250,000,000	26.47
1978	2,423,000,000	28.24
1977	2,277,821,000	26.34
1976	2,122,343,000	24.37

‡ After allowing for preferred stock at par value.
# Based on the average number of shares outstanding.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 8,514,300	$ 7,443,100
Other income	128,000	89,800
Total income	$ 8,642,300	$ 7,532,900
Cost of sales	6,486,400	5,706,200
Expenses	1,352,700	1,163,700
Depreciation	185,000	160,000
Interest expense	61,700	43,700
Income taxes	151,500	125,700
Minority interest	2,100	2,500
Net Income	$ 402,900	$ 331,100
Extraord. loss	—	(405,000)
Net Income(Loss) & extraord. loss	$ 402,900	$ (73,900)

Assets
(000's)

As of Dec. 31	1980	1979
Cash & Marketable securities	$ 853,300	$ 917,600
Accts. receiv., net	1,475,200	1,462,100
Costs in excess of billings	254,000	258,700
* Inventories	1,013,100	1,092,300
Refundable taxes	33,900	145,200
Uranium settlement	45,400	52,100
Deferred taxes	68,700	126,400
Prepaid & other assets	374,600	313,000
Current Assets	$ 4,118,200	$ 4,367,400
Investments	704,000	712,800
# Fixed assets	1,714,100	1,463,000
Other assets	276,300	278,000
Total Assets	$ 6,812,600	$ 6,821,200

Liabilities
(000's)

Long-term debt.curr. short-term loans	$ 138,100	$ 109,100
Accts. payable	470,900	559,800
Accrued payroll	278,300	251,300
Billings in excess of costs	1,273,900	1,380,300
Income taxes	99,100	107,200
Litigation	81,300	147,700
Other liabilities	921,400	824,000
Curr. Liabilities	$ 3,263,000	$ 3,379,400
Debentures & other debts	326,700	344,100
Minority interest	29,900	30,500
Deferred inc.taxes	59,400	84,600
Other liabilities	587,600	716,500
+ Preferred stock	16,100	16,100
+ + Common stock	277,100	277,100
Add.paid-in capital	503,900	498,100
Retained earnings	1,830,000	1,546,700
Treasury stock	(81,100)	(71,900)
Total Liabilities & Shareholders' Equity	$ 6,812,600	$ 6,821,200

* At LIFO or current standard costs, which approximate actual or average cost.
# Less accumulated depreciation.
+ $100 par value.
+ + $3.125 par value.

Statistical Summary

% Net Income to Sales	4.73	4.52
% Net Income to Equity	15.82	14.61
Sales to Inventories	8.40	6.71
Working Capital	$ 855,200,000	$ 988,000,000
Current Ratio	1.26	1.29
Shareholders' Equity	$2,546,009,000	$2,266,100,000

Wheelabrator-Frye Inc.

Liberty Lane
Hampton, New Hampshire 03842
(603) 926-5911

Officers: Michael D. Dingman, chairman of the board and president: James E. Donlan, Stephen A. Furbacher, Paul M. Montrone, exec. v.p.'s; Thomas M. Begel, Gary M. Cypres, Harold S. Eastman, Steven Shulman, Marc I. Stern, John A. Tillinghast, sr. v.p.'s; V. Dean Freese, group v.p.; Stephen G. Cerri, Thomas R. Emblad, Walter Flowers, Harold T. McCormick, Joseph E. O'Callaghan, Robert W. Page, Norman R. Ritter, v.p.'s; Paul L. Barrett, general counsel; Owen F. Leonard, treasurer; Peyton H. Houston, secretary.

Directors: Michael D. Dingman, chairman; Philip E. Beekman, Leonard Dalsemer, Edward A. Montgomery, Jr., Albert E. Rising, Jr., James R. Shepley, Arthur Temple, Charles W. Nichols, Jr., Rawleigh Warner, Jr., John C. van Eck, Fritz K. Zopf.

Areas of Work: Designs, manufactures and markets engineering and construction services with respect to large scale, highly technical engineered systems which are integral to basic industrial processes, and in energy and environmental control fields; also manufactures engineered components, transportation equipment and chemical and specialty products. Engineered systems include fabric-filter systems and electro-static precipitators for removing particulate pollution from gases; sulfur-dioxide removal systems: permanently installed and portable nonpolluting abrasion systems for cleaning a variety of surfaces (Wheelabrators); metal processing and chemical processing systems; and parts and supplies relating to these products. Engineered components include industrial fans and blowers, cranes, material handling systems, precision and industrial bearings, high and low pressure for electrical generation, electronic and electro-mechanical components and devices for control applications, water and waste water treatments and processing equipment, fluid and gas measuring devices and other industrial products. Engineering services include, through the M.W. Kellogg Co., Rust Engineering Co., the Swindell-Rust Division and Nichols Engineering and Research Corporation, the engineering and erection of process technologies and plants in the oil, gas, pulp and paper, nitrogen fertilizer, plastics and petro-chemical industries. Energy systems include the development of systems to utilize alternative energy sources such as synthetic fuels and solid waste energy. Transportation equipment includes, through the Pullman Standard Division, the manufacture and leasing of railroad freight cars, and through Whiting Corporation, railroad switching prime movers and railroad maintenance equipment. Chemical and speciality products include urethane products, pigments, varnishes, dispersions and color flushes, resins, reproduction papers, computer ribbons and other products using the carbonizing process; and lithographic blankets and plates for the printing industry.

Acquisition(s):

Sigma Instruments, Inc.
Braintree, Massachusetts

Supervisory control systems for electric utility transmission networks, stepping motors for photo-electric switches and control systems.

Pullman Incorporated

Designs and erects oil and gas processing, nitrogen fertilzer and petro-chemical installations; specialty and general purpose freight cars and high and low pressure piping for energy generation applications.

Transfer Agent(s):

Mellon Bank, N.A.
Stock Transfer Section
P.O. Box 444
Pittsburgh, Pennsylvania 15230

Stock Exchange(s): New York, Pacific

Ticker Symbol: WFI

Number of Employees:

1980 . . . . . . 25,000 1979 16,000

Plant Footage:

1980 . . . . . .11,003,000sq.ft. 1979 8,000,000

Sales and Earnings

	Net Revenues	Net Income
1980	$1,299,673,000	$ 55,300,000
1979	946,923,000	42,675,000
1978	780,809,000	37,017,000
1977	619,072,000	28,040,000
1976	476,916,000	22,934,000

	No. of Com. Shares †	Earn. per Share †
1980	12,136,492	$4.31
1979	10,638,543	3.72
1978	10,647,167	3.15
1977	10,854,730	2.51
1976	10,921,045	2.03

† Based on the average number of common shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Engineered systems	$ 304,980	$ 314,335
Engineered components	397,094	307,108
Engineering services	198,422	92,950
Transportation Equip.	133,373	—
Chemicals & Specialty products	265,804	232,530
Total	$ 1,299,673	$ 946,923

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.40	—	—
1979	1.20	—	—
1978	1.00	—	—
1977	0.88	—	—
1976	0.63	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1980	$ 567,105,000	$46.73
1979	223,397,000	21.00
1978	210,544,000	19.77

‡ Allowing for preferred stock at stated value.
† Based on the average number of common shares outstanding.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net revenues	$ 1,299,673	$ 946,923
Cost of sales	999,505	717,183
Expenses	209,108	154,955
Minority interest	(17,961)	(4,157)
Other expense	22,155	6,170
Income before taxes	$ 86,866	$ 72,772
Income taxes	31,566	30,097
Net Income	$ 55,300	$ 42,675

*Included in Costs and Expenses, Depreciation and Amortization: $23,279 in 1980 and $16,321 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 227,491	$ 70,998
Receivables, net	295,201	170,924
*Inventories	218,934	140,413
Prepaid expenses	65,446	30,268
Net assets	116,223	—
Current Assets	$ 923,295	$ 412,603
Investments	589,801	54,202
# Fixed assets	368,176	153,191
Other assets	49,364	30,228
Total Assets	$ 1,930.636	$ 650,224

Liabilities
(000's)

	1980	1979
Notes payable and long-term debt	$ 23,069	$ 9,658
Accts. payable	153,936	63,534
Accruals	335,008	115,485
Advance payments	327,673	60,102
Income taxes	25,596	33,470
Curr. Liabilities	$ 865,282	$ 282,249
Long-term debt	261,932	79,374
Deferred inc. taxes	97,173	19,133
+ Preferred stock	139,144	46,071
+ + Common stock	5,221	3,279
Add. paid-in capital	378,645	73,900
Retained earnings	197,675	159,939
Treasury stock	(14,436)	(13,721)
Total Liabilities & Shareholders' Equity	$ 1,930,636	$ 650,224

*At lower of cost (FIFO and LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.
+ + $0.30 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	6.68	7.69
%Net Income to Sales	4.25	4.51
%Net Income to Equity	7.83	6.56
Working Capital	$ 58,013,000	$ 130,354,000
Current Ratio	1.07	1.46
Shareholders' Equity	$ 706,249,000	$ 269,468,000

Whirlpool Corporation

Benton Harbor, Michigan 49022
(616) 925-5000

Officers: John H. Platts, chairman of the board & chief executive officer; Herbert K. Anspach, president & chief operating officer; Robert B. Willemin, exec. v.p.-administration, chief financial officer & general counsel; Jack D. Sparks, exec. v.p.-marketing; Glenn R. Willis, v.p.-capital administration; Robert L. Brintnall, John M. Crouse, Charles D. Putnam, Andrew J. Takacs, E. Allen Baillif, Stephen E. Upton, Lowell G. Holder, Lloyd A. Wampach, vice presidents; Robert J. Flautt, treasurer; Richard F. Koch, secretary; Leo R. Montgomery, controller; William E. Naylor, asst. treasurer; William Houseal, assistant secretary.

Directors: Sidney L. Boyar, Herbert K. Anspach, Victor A. Bonomo, Roy D. Chapin, Jr., John H. Platts, Robert C. Upton, Bert E. Phillips, Robert A. Burnett, Jack D. Sparks, Jack B. St.Clair, Robert E. Willemin, Glenn R. Willis.

Areas of Work: Manufactures home and commercial appliances, including washers, dryers, refrigerators, ice makers, coolers, vacuum cleaners, ovens, dishwashers, dehumidifiers, freezers, central heating equipment, air conditioners and trash compactors. With the purchase of Thomas International Corporation, the Company entered the consumer electronics field.

Subsidiaries:

Heil-Quaker Corporation
Lewisburg, La Vergne & Nashville, Tn.

Produces furnaces, heaters and central electric air conditioners.

Appliance Buyers Credit Corporation
Benton Harbor, Michigan

A wholly owned finance subsidiary.

Brastemp, S.A.
Sao Paulo, Brazil

Consul S.A.
Joinville, Brazil

Embraco, S.A.
Joinville, Brazil

Inglis Limited
Toronto, Canada

Transfer Agent(s):

Harris Trust and Savings Bank
Stock Transfer Division
111 West Monroe Street
Chicago, Illinois 60690

Stock Exchange(s): New York, Midwest

Ticker Symbol: WHR

Number of Employees:

1980 . . . . . . 23,106 1977 23,573
1979 . . . . . . 24,746 1976 22,500
1978 22,285

Plant Footage:

1980 . . . . . . 11,575,000 sq.ft. 1977 20,600,000
1979 . . . . . . 11,575,000 1976 . . . . . . 11,292.000
1978 20,600,000

Sales and Earnings

	Net Sales	Net Income
1980	$2,243,181,000	$ 101,699,000
1979	2,261,207,000	110,878,000
1978	2,082,882,000	99,607,000
1977	1,936,585,000	109,750,000
1976	1,593,477,000	76,317,000

	No. of Com. Shares	Earn. per Share
1980	36,238,195	$2.81
1979	36,200,442	3.06
1978	36 175,212	2.75
1977	36 150,000	3.04
1976	36 116,907	2.11

Revenues By Line of Business

	1980	1979
Home laundry appliances	$ 830,273,000	$ 806,354,000
Home refrigeration & room air conditioning	909,988,000	896,001,000
Other household appliances	347,468,000	348,759,000
Other products & services	155,452,000	210,093,000
Total	$2,243,181,000	$2,261,207,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.40	—	—
1979	1.35	—	—
1978	1.20	—	—
1977	1.05	—	—
1976	0.80	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 723,658,000	$19.97
1979	671,929,000	18.56
1978	609,461,000	16.85
1977	552,761,000	15.29
1976	480,294,000	13.30

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 2,243,181	$ 2,261,207
Other income	41,438	32,939
Total income	$ 2,284,619	$ 2,294,146
Cost of sales	1,820,837	1,830,594
Expenses	269,980	260,684
Minority interest	—	(471)
Interest expense	7,103	8,261
Income before taxes	$ 186,699	$ 195,078
Income taxes	85,000	84,200
Net Income	$ 101,699	$ 110,878

* Included in Costs and Expenses, Depreciation and Amortization: $48,276,000 in 1980 and $47,256,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash & comm. paper	$ 263,342	$ 204,961
Receiv., net	140,533	152,010
Def. inc. taxes	12,363	10,841
* Inventories	281,598	318,898
Prepaid expenses	5,948	7,372
Current Assets	$ 703,784	$ 694,082
Investments & other assets	115,390	105,651
# Fixed assets	255,347	237,335
Total Assets	$ 1,074,521	$ 1,037,068

Liabilities
(000's)

Notes payable	$ 564	$ 4,532
Long-term debt, curr.	—	6,975
Accts. payable	91,043	108,188
Accruals	45,118	43,925
Accrued payroll & other compen.	58,931	56,517
Income taxes	46,643	36,252
Product warranty	16,834	16,808
Curr. Liabilities	$ 259,133	$ 273,197
Long-term debt	60,848	60,848
Product warranty	15,235	16,637
Deferred inc. taxes	15,647	14,457
+ Common stock	36,238	36,200
Add. paid-in capital	22,891	22,191
Retained earnings	664,529	613,538
Total Liabilities & Shareholders' Equity	$ 1,074,521	$ 1,037,068

* At lower of cost (LIFO & FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.32	8.63
%Net Income to Sales	4.53	4.90
%Net Income to Equity	14.05	16.50
Sales to Inventories	7.97	7.09
Working Capital	$ 444,651,000	$ 420,885,000
Current Ratio	2.72	2.54
Shareholders' Equity	$ 723,658,000	$ 671,929,000

Whitehall Corporation

2659 Nova Drive
Dallas, Texas 75229
(214) 247-8747

Mailing address:

P.O. Box 29709
Dallas, Texas 75229

Officers: Lee D. Webster, chairman of the board and president; W.D. Raymond, vice president & treasurer; Carl R. Anderson, v.p. & controller; George M. Pavey, vice president; George Slover, Jr., secretary.

Directors: Lee C. Webster, chairman; George M. Pavey, Robert B. Gilmore, John A. Crichton, Henry I. McGee, Jr., J.L. Huffines, Jr.

Areas of Work: Divided into three groups: Earth Sciences, Aerospace, and Electronic Components. The earth sciences group designs and develops undersea acoustic devices, passive sonar, and oceanographic research systems for commercial and military use, and land seismic devices for the oil industry. The aerospace division performs contract maintenance and modification on aircraft for the U.S. Navy and Air Force. The electronic components division markets quartz crystals and capacitors to automotive, appliance, and instrument manufacturers.

Divisions and Subsidiaries:

Crystek Crystals Corporation
1000 Crystal Drive
Fort Myers, Florida 33901
(813) 936-2100

Crystek Microelectronics Division
2659 Nova Drive
Dallas, Texas 75229
(214) 247-7072

Seismic Engineering Company
2659 Nova Drive
Dallas, Texas 75229
(214) 241-7581

Seismic Export Corporation
2659 Nova Drive
Dallas, Texas 75229
(214) 241-7581

Rogers Explorations, Inc.
3616 West Alabama
Houston, Texas 77027
(713) 621-2611

Hydroscience, Inc.
2659 Nova Drive
Dallas, Texas 75229
(214) 247-9052

Seismic Exploration International, S.A.
2659 Nova Drive
Dallas, Texas 75229
(214) 241-7581

Geophysical Data Processing Center, Inc.
3616 West Alabama
Houston, Texas 77027
(713) 961-4561

Callins Industries, Inc.
Greenfield, Tennessee 38239
(901) 235-2234

Aero Corporation
Lake City, Florida 32055
(904) 752-7911

Transfer Agent(s):

National Bank of Commerce
Dallas, Texas

Stock Exchange(s): American

Ticker Symbol: WHT

Number of Employees:

1980	1,428	1977	1,416
1979	1,464	1976	1,353
1978	1,379		

Plant Footage:

1980	755,000 sq. ft.	1977	680,000
1979	765,000	1976	690,000
1978	775,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 45,554,477	$ 1,876,508
1979	35,017,243	1,349,156
1978	32,970,822	1,422,159
1977	29,274,667	1,250,150
1976	25,210,475	735,715

	No. of Com. Shares	Earn. per Share ‡
1980	1,881,378	$0.78
1979	1,881,378	0.73
1978	1,761,878	0.78
1977	1,772,243	0.70
1976	1,817,843	0.40

‡ Based on the average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1980	1979
Electronic components	$ 4,516,000	$ 4,813,000
Geophysical equipment & exploration service	29,083,000	19,047,000
Aircraft repair & maintenance	11,955,000	11,157,000
Total	$ 45,554,000	$ 35,017,000

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 14,070,063	$7.48
1979	12,193,555	6.48
1978	10,558,470	5.99
1977	9,189,861	5.19
1976	8,053,120	4.43

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 45,554,477	$ 35,017,243
Other inc.	319,811	130,291
Total Income	$ 45,874,288	$ 35,147,534
Cost of sales	37,670,976	28,294,912
Expenses	4,023,106	4,020,548
Interest expense	1,346,698	1,042,918
Income before taxes	$ 2,833,508	$ 1,789,156
Income taxes	957,000	440,000
Net Income	$ 1,876,508	$ 1,349,156

* Included in Costs and Expenses, Depreciation and Amortization: $3,061,734 in 1980 and $2,549,212 in 1979.

Whitehall Corporation

Assets

As of Dec. 31	1980	1979
Cash	$ 2,244,085	$ 1,555,858
Accts. receiv., net	7,529,359	7,175,745
* Inventories	4,724,388	6,342,596
Prepaid expenses	1,972,117	1,695,062
Current Assets	$ 16,469,949	$ 16,769,261
# Fixed assets	12,726,822	10,307,313
Intangibles	280,940	340,868
Total Assets	$ 29,477,711	$ 27,417,442

Liabilities

	1980	1979
Notes payable	$ 5,636,000	$ 6,048,000
Long-term debt., curr.	421,061	418,011
Accts. payable & accruals	4,971,912	5,064,452
Income taxes	1,251,021	753,315
Curr. Liabilities	$ 12,279,994	$ 12,283,778
Long-term debt	1,650,654	2,069,736
Deferred inc. taxes	1,477,000	870,373
+ Common stock	188,688	188,688
Add. paid-in capital	1,053,211	1,053,211
Retained earnings	12,854,735	10,978,227
Treasury Stock	(26,571)	(26,571)
Total Liabilities & Shareholders' Equity	$ 29,477,711	$ 27,417,442

* At cost (FIFO) not in excess of market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	6.22	5.11
%Net Income to Sales	4.12	3.85
%Net Income to Equity	13.34	11.06
Sales to Inventories	9.64	5.52
Working Capital	$ 4,189,955	$ 4,485,483
Current Ratio	1.34	1.37
Shareholders' Equity	$ 14,070,063	$ 12,193,555

Whittaker Corporation

10880 Wilshire Boulevard
Los Angeles, California 90024
(213) 475-9411

Officers: Eaton W. Ballard, chairman of the board; Joseph F. Alibrandi, president & chief executive officer; Harry S. Derbyshire, executive v.p., chief financial officer & treasurer; Glen A. Grubbs, executive v.p.; Joseph Kleiman, Paul B. Dinkel, sr. v.p.'s; Alan D. Jacobson, sr. v.p. & secretary; Frank C. Buhlman, Jean d'Aligny d'Assignies, George H. Hunter, Jr., Stanley K. Weissberg, Ernest L. Park, Gregory T. Parkos, William G. Christmas, Edward J. Howey, Robert W. Murray, v.p.'s; Ronald C. Moss, v.p. & controller.

Directors: Joseph F. Alibrandi*, Joseph Kleiman*, Sanford Kaplan*, Harry S. Derbyshire* , Eaton W. Ballard*, J. Dewey Daane, Walter B. Gerken, Robert Reznick* Edmund R. Ackell, Wm. R. Whittaker*, Frank J. Rauscher Jr.

*Member of Executive Committee.

Areas of Work: The Company is involved in five separate areas: metals, technology, marine and recreation, life sciences and chemicals. Products include alloys, steels, tubular metal products, metal castings, fabricated metal products; biomedical research and testing, biomedical equipment, pollution monitoring systems; yachts, special-purpose craft, hydraulic equipment, fluid controls, electronic equipment, high energy batteries, irrigation equipment, pyrotechnics and propellants, fastener products; industrial finishes, plastics products and rubber-to-metal adhesives.

Electronics & Related Divisions & Subsidiaries:

Acrodyne/Dynasciences
Township Line Road
Blue Bell, Pennsylvania 19422
(215) 643-0250
Television transmitters and translators.

Bennes Marrel S.A.
Zone Industrielle
42160-Andrezieux-Boutheon
France
Trucking tipping bodies and packing units; bulk handling equipment; solid waste handling and compacting systems; airport service and maintenance equipment; hydraulic power and control systems; power steering and power transmission equipment.

Electronic Resources Division
100 East Tujunga Street
Burbank, California 91502
(213) 843-5770
High temperature coaxial cables; electronic components and subsystems; mechanical and electronic counters.

Shock Hydrodynamics Division
4716 Vineland Avennue
North Hollywood, California 91602
(213) 985-6940
Computer simulation studies; explosive forming and bonding; flash x-ray and ultra high speed photographic instrumentation; research and development.

Bermite Division
22116 West Soledad Canyon Road
Saugus, California 91350
(805) 259-2241
Electrochemical devices and propulsion systems; flares, igniters and initiators; fuses; and pyrotechnic devices.

Tasker Systems Division
20131 Sunburst Street
Chattsworth, California 91311
(213) 259-3010
Air traffic control systems; antenna tracking devices; radar simulators; radar tracking devices; tactical radar jammers; electronic components and subsystems.

Yardney Electric Corporation
82 Mechanic Street
Pawcatuck, Connecticut 06397
(203) 599-1100
High-energy density batteries; high-intensity protable lights; battery charges and control systems; marine emergency beacons; irrigation system filters.

Whittaker Controls Division
12838 Saticoy Street
North Hollywood, California 91605
(213) 765-8160
Valves, actuators and pumps for aircraft hydraulic, pneumatic and fuel systems; electronic proximity switches.

Transfer Agent(s):

South Pacific National Bank (common & preferred stock)
333 South Hope Street
Los Angeles, California 90071

Citibank, N.A.
111 Wall Street
New York, New York 10043

Stock Exchange(s): New York, Pacific

Ticker Symbol: WKR

Number of Employees:

1980	16,600	1977	12,600
1979	14,500	1976	12,300
1978	13,800		

Plant Footage:

1980	9,000,000 sq.ft.	1978	7,465,000
1979	7,999,000	1977	7,697,000

Sales and Earnings

	Net Sales $ (000's)	Net Income $ (000's)
1980	1,396,225	57,504
1979	1,073,634	46,773
1978	883,843	31,648
1977	719,979	15,981
1976	713,774	13,506

	No. of Com. Shares #	Earn. per Share #
1980	14,597,000	$3.90
1979	14,069,000	3.28
1978	13,864,000	2.24
1977	14,679,000	1.05
1976	19,829,000	0.65

# Based on average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Metals	$ 376,000	$ 410,800
Technology	284,700	220,800
Marine	136,700	165,000
Chemical	120,800	95,000
Life Sciences	478,000	182,000
Total	$ 1,396,200	$ 1,073,600

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.00	—	—
1979	0.425	—	—
1978	0.20	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$ 275,964,915	$19.53
1979	217,141,440	17.28
1978	173,597,500	14.49
1977	143,662,715	12.40
1976	135,620,010	10.45

‡ After allowing for $1.25 and $5 cumulative convertible preferred stock at redemption values of $35 and $100.

Income Account *
(000's)

Year ended Oct. 31	1980	1979
Net sales	$ 1,396,225	$ 1,073,634
Cost of sales	1,109,227	855,640
Expenses	153,990	111,779
Interest expense	14,835	13,524
Interest income	(1,075)	(329)
Minority interest	13,609	2,102
Income before taxes	$ 105,639	$ 90,918
Income taxes	48,135	44,145
Net Income	$ 57,504	$ 46,773

* Included in Costs and Expenses, Depreciation and Amortization: $17,220,000 in 1980 and $15,716,000 in 1979.

Assets
(000's)

As of Oct. 31	1980	1979
Cash	$ 46,617	$ 28,147
Time deposits	19,059	12,966
Receiv., net	227,006	182,825
Deferred taxes	9,050	3,122
* Inventories	251,355	203,453
Prepaid expenses	1,855	3,749
Current Assets	$ 554,942	$ 434,262
Notes receiv.	13,665	15,706
# Fixed assets	167,525	139,399
Defer. taxes	—	2,687
Goodwill	38,906	39,408
Miscellaneous	9,495	11,347
Total Assets	$ 784,533	$ 642,819

Liabilities
(000's)

	1980	1979
Notes payable	$ 14,596	$ 34,456
Long-term debt, curr.	13,583	11,411
Accts. payable	104,072	94,738
Accruals	90,696	64,532
Income taxes	52,680	44,943
Advances	81,769	24,116

Curr. Liabilities	$ 357,396	$ 274,196
Long-term debt	132,420	130,022
Minority interest	4,805	3,976
+ Preferred stock:		
$1.25 cumulative convertible	38	139
5.00 cumulative convertible	126	126
+ Common stock	21,830	20,555
Add. paid-in capital	112,554	92,372
Retained earnings	155,364	121,433
Total Liabilities & Shareholders' Equity	$ 784,533	$ 642,819

* At lower of cost (principally FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.57	8.47
%Net Income to Sales	4.12	4.36
%Net Income to Equity	19.83	19.94
Sales to Inventories	5.55	5.28
Working Capital	197,546,000	160,066,000
Current Ratio	$ 1.55	$ 1.58
Shareholders' Equity	$ 289,912,000	$ 234,625,000

Wiltek, Inc.

542 Westport Avenue
Norwalk, Connecticut 06851
(203) 853-7400

Officers: Robert J. Amman, president & chief executive officer; Jay W. Fitzpatrick, v.p.-marketing & asst. secretary; F. Spencer Pooley, Jr., v.p.-engineering; Fred Wiener, v.p. & treasurer; Alexander Hamilton, secretary.

Directors: Robert J. Amman, Martha M. Driver, Richard T. Niner, Ellis L. Phillips, Jr., Ralph A. Bard, Jr., Hadley Case, Robert W. Cruickshank.

Areas of Work: Engaged in the design, manufacture, sale and maintenance of data communication systems and services.

Subsidiaries:

Wiltek International, Inc.
Wiltek Leasing, Inc.

Transfer Agent(s):

Hartford National Bank and Trust Company
Hartford, Connecticut

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980 . . . . . . 23 1979 20

Plant Footage:

1980 . . . . . . 15,000 sq. ft. 1979 15,000

Sales and Earnings

	Revenues	Net Income ‡
1980	$ 2,168,000	$ 906,600
1979	1,904,600	110,400
1978	2,660,900	8,298,300
1977	5,852,800	(206,800)

	No. of Com. Shares	Earn. per Share ‡ #
1980	3,456,493	$0.22
1979	3,456,493	0.03
1978	3,456,493	1.90
1977	3,456,493	—

(Loss)
‡ Including extraordinary gains of $700,200 ($0.17 per share) in 1980, $81,700 ($0.02 per share) in 1979 and $8,228,300 ($1.85 per share) in 1978.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,384,400	$0.40
1979	477,800	0.14
1978	367,400	0.11

Income Account *

Year ended Oct. 31	1980	1979
Revenues	$ 2,168,500	$ 1,904,600
Cost of sales	894,200	1,019,500
Expenses	941,300	851,400
Interest income	(48,300)	(4,900)
Income before taxes	$ 381,300	$ 38,600
Income taxes	174,900	9,900
Net Income	$ 206,400	$ 28,700
Extraord. gain	700,200	81,700
Net Income & Extrord. gain	$ 906,600	$ 110,400

* Included in Costs and Expenses, Depreciation and Amortization: $292,500 in 1980 and $308,000 in 1979.

Assets

As of Oct. 31	1980	1979
Cash & cert. of deposit	$ 823,800	$ 513,600
Accts. receiv., net	114,100	75,500
* Inventories	445,500	474,700
Assets held for sale	19,000	52,700
Other assets	28,709	38,300
Current Assets	$ 1,431,100	$ 1,154,800
‡ Rental Equip.	161,100	142,600
# Fixed assets	242,100	258,900
Total Assets	$ 1,834,300	$ 1,556,300

Liabilities

Long-term debt, curr.	$ 19,300	$ 19,800
Amts. payable to unsec. creditors	66,800	66,800
Accruals	214,100	140,300
Deferred revenue	29,100	595,400
Curr. Liabilities	$ 329,300	$ 822,300
Long-term debt	120,600	256,200
+ Common stock	1,152,200	1,152,200
Add. paid-in capital	4,789,000	4,789,000
(Deficit)	(4,556,800)	(5,463,400)
Total Liabilities & Shareholders' Equity	$ 1,834,300	$ 1,556,300

* At estimated realizable value.
‡ Less accumulated amortization.
# Less accumulated depreciation and amortization.
+ No par value; $0.33⅓ stated value.

Statistical Summary

%Income bef. Taxes to Revenues	17.58	2.03
%Net Income to Revenues	9.52	1.51
%Net Income to Equity	14.91	6.01
Working Capital	$ 1,101,800	$ 332,500
Current Ratio	4.35	1.40
Shareholders' Equity	$ 1,384,400	$ 477,800

The Wurlitzer Company

403 East Gurler Road
DeKalb, Illinois 60115
(815) 756-2771

Officers: W.A. Rolfing, chairman of the board and president; John P. Davis, v.p.-mgr.-Corinth Div.; James M. Graham, v.p.-nat'l. sales mgr., consumer products; Harold O. Schwartz, v.p.-engineering & research; Fred P. Youssi, v.p.-manufacturing and quality; Ago Koerv, v.p.-finance; Wallace R. Borgeson, v.p. & controller; Wilhelm P. Foelkel, v.p.-mgr.-Deutshe Wurlitzer GmbH; R.W. Donaldson, treasurer; Gary B. Hurt, secretary & counsel.

Directors: W.N. Herleman, J.M. Hutton III, W.A. Rolfing, R.C. Liddon, A.D. Arsem, A. Koerv, Marjorie B. Paullin.

Areas of Work: Manufactures pianos, electronic pianos, electronic organs, coin operated phonographs and cigarette vendors. Operates a chain of 43 retail music stores in 12 metropolitan areas.

Divisions:

Corinth, Mississippi
Manufactures electronic organs.

Holly Springs, Mississippi
Manufactures pianos and piano keys and actions.

Foreign Subsidiaries:

Deutsche Wurlitzer GmbH
Hullhorst, Germany

Wurlitzer Limited
Knutsford, Cheshire, England

Wurlitzer Canada Limited
Toronto, Ontario, Canada

Wurlitzer Australia Pty. Ltd.
Taren Point, New South Wales, Australia

Transfer Agent(s):

The Chase Manhattan Bank
One New York Plaza, 14th floor
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: WUR

Sales and Earnings

	Net Sales	Net Income ‡
1981	$ 84,828,000	$ (6,090,000)
1980	95,218,000	59,000
1979	98,231,000	2,583,000
1978	96,229,868	3,269,306
1977	83,441,205	3,095,904

	No. of Com. Shares †	Earn. per Share ‡ #
1981	1,785,867	—
1980	1,785,867	$0.03
1979	1,770,617	1.45
1978	1,761,000	1.82
1977	1,774,000	1.71

(Loss)
‡ Including extraordinary credit of $520,000 ($0.29 per share) in 1977.
# Based on the average number of shares outstanding adjusted to reflect stock split.
† Adjusted to reflect stock split.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1981	$ —	—	—
1980	0.36	—	—
1979	0.48	—	—
1978	0.40	—	—
1977	0.20	—	3-for-2 †

† In the form of a 50% stock dividend.
‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1981	$ 28,141,000	$15.76
1980	34,231,000	19.17
1979	34,755,000	19.63
1978	32,843,191	18.65
1977	30,547,570	17.22

† Adjusted to reflect stock split.

The Wurlitzer Company

Income Account *

Year ended March 31	1981	1980
Net sales	$ 84,828,000	$ 95,218,000
Cost of sales	64,694,000	66,441,000
Expenses	27,328,000	27,765,000
Interest expense	4,426,000	3,043,000
Other income	(1,332,000)	(2,034,000)
Emp. sav. & profit sharing plan	81,000	100,000
Loss bef. taxes	$ (10,369,000)	$ (97,000)
Tax credit	(4,279,000)	(156,000)
Net Income (Loss)	$ (6,090,000)	$ 59,000

* Included in Costs and Expenses. Depreciation and Amortization: $1,753,000 in 1981 and $1,699,000 in 1979.

Assets

As of March 31	1981	1980
Cash	$ 1,456,000	$ 2,179,000
Short-term investments	4,794,000	—
Income tax refunds receivable	3,686,000	—
Accts. receiv.. net	17,423,000	16,898,000
* Inventories	28,651,000	33,614,000
Current Assets	$ 56,010,000	$ 52,691,000
# Fixed assets	18,193,000	18,395,000
Other assets & prepaid exp.	2,049,000	1,941,000
Total Assets	$ 76,252,000	$ 73,027,000

Liabilities

Notes payable	$ 8,750,000	$ 7,853,000
Long-term debt, curr.	823,000	1,809,000
Accts. payable	4,572,000	4,581,000
Accruals	5,438,000	4,338,000
Income taxes	160,000	190,000
Curr. Liabilities	$ 19,743,000	$ 18,771,000
Long-term debt	26,750,000	17,788,000
Other liab.	21,000	46,000
Deferred comp.	852,000	814,000
Deferred inc. taxes	745,000	1,377,000
+ Common stock	17 859,000	17,859,000
Retained earnings	10,282,000	16,372,000
Total Liabilities & Shareholders' Equity	$ 76,252,000	$ 73,027,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $10 par value.

Statistical Summary

%Net Income to Sales	—	0.06
%Net Income to Equity	—	0.17
Sales to Inventories	2.96	2.83
Working Capital	$ 36,267,000	$ 33,920,000
Current Ratio	2.84	2.81
Shareholders' Equity	$ 28,141,000	$ 34,231,000

Wyle Laboratories

128 Maryland Street
El Segundo, California 90245
(213) 678-4251

Officers: Frank S. Wyle, chairman of the board; Stanley A. Wainer, president and chief executive officer; Theodore M. Freedman, exec. v.p.-finance, and treasurer, chief financial officer; John R. Herring, exec. v.p.-Scientific Services & Systems Group and Industrial Manufacturing Group; Lauren L. Pond, Jr., v.p.-Wyle Distribution Group; Joseph E. Sullivan, Secretary and Corporate Controller, Chief Accounting Officer.

Directors: Frank S. Wyle*, Lawrence E. Irell*, Stanley A. Wainer*, John R. Herring*, Sidney L. Spiegel*, Elvin W. Feige, Raymond J. Raff, James J. McMorrow, Edward Sanders, F. Stephen Wyle.

*Member of the Executive Committee.

Areas of Work: Industrial distribution of electronic components and systems including sales, service, and finance functions; research, engineering, and testing services to the energy, aerospace/defense, acoustics, and transportation industries; manufactures electronic enclosures and electrical cables; operates a fleet of tanker trucks and specialized closed van trailers.

Divisions and Subsidiaries:

Scientific Services & Systems Group

Huntsville Facility
7800 Governors Drive, West
P.O. Box 1008
Huntsville, Alabama 35807
(205) 837-4411
Refurbishment, functional testing, and certification of safety valves, snubbers, etc., for nuclear power plants; seismic shock testing of very large nuclear power plant equipment, functional testing of radioactive components; boating safety, simulator design; rocket and spacecraft testing.

Hampton Facility
3200 Magruder Boulevard
Hampton, Virginia 23666
(804) 838-5000
Design, assembly, programming, and operation of computer-based data systems; instrument calibration and maintenance.

Norco Facility
1841 Hillside Avenue
Norco, California 91760
(714) 737-0781
Full scale testing of large nuclear power plant safety systems, valves, flowmeters, etc.; high-force seismic testing and analysis; hazardous testing, encompassing cryogenics, fuels, solid rockets, and ordnance.

Foundation Mechanics, Inc.
128 Maryland Street
El Segundo, California 90245
(213) 678-4251
Production of equipment for highway and airfield pavement and subgrade analysis.

El Segundo Facility
128 Maryland Street
El Segundo, California 90245
(213) 678-4251
Aerospace testing, with emphasis on high flow and/or high pressure pneumatics and on shock and vibration.

Colorado Springs Facility
4620 Edison Street
Colorado Springs, Colorado 80915
(303) 597-4500
Railway systems engineering and other system engineering and management projects.

Reseach Staffs:
El Segundo, California
Hampton, Virginia
Huntsville, Alabama
Washington, D.C.
Consulting services and contract research in the physical sciences, specializing in acoustics; aerospace and seismic studies.

Industrial Manufacturing Group

Lewis Machine Company
3441 East 76th Street
Cleveland, Ohio 44127
(216) 641-3015
Wire and bar strengthening and cutting machines.

Pal-Vin Machine & Mfg. Co.
1419 East 40th Street
Cleveland, Ohio 44103
(216) 391-2626
Precision machined parts for machinery manufacturers.

Central Petroleum Company
548 Northern Ohio Bank Building
Cleveland, Ohic 44113
(216) 771-0400
Lubricants, fuel additives, insecticides, paints, roofing materials, anti-freezes, etc.

Burton Electrical Engineering
111 Maryland Street
El Segundo, California 90245
(213) 322-0615
Design and manufacture of electrical ground support systems for aircraft,
electrical cable systems for the oil well industry, and other kinds of electrical connecting systems.

Electronic Enclosures:
225 South Aviation Boulevard
El Segundo, California 90245
(213) 679-0181

6995 Airport Highway
Pennsauken, New Jersey 08109
(609) 665-6810

Wyle Distribution Group

Wyle Distribution/El Segundo
124 Maryland Street
El Segundo, California 90245
(213) 322-8100
Industrial distribution of electronic components.

Wyle Distribution/Santa Clara
3000 Bowers Avenue
Santa Clara, California 95051
(408) 727-2500
Industrial distribution of electronic components.

Wyle Distribution/Denver
Denver, Colorado
6777 East 50th Street
Commerce City, Colorado 80022
(303) 287-9611
Industrial distribution of electronic components.

Wyle Distribution/San Diego
9525 Chesapeake Drive
San Diego, California 92123
(714) 565-9171
Industrial distribution of electronic components.

Wyle Distribution/Phoenix
8155 North 24th Avenue
Phoenix, Arizona 85201
(602) 249-2232
Industrial distribution of electronic components.

Wyle Distribution/Orange County
17981 Skypark Circle
Irvine, California 92714
(714) 751-9850

Wyle Data Services, Inc.
15302 Bolsa Chica
Huntington Beach, California 92642
(213) 598-9555
Development and support of on-line computer services and software.

Transportation Group

Redwing Carriers, Inc.
8515 Palm River Road
P.O. Box 426
Tampa, Florida 33601
(813) 621-2046
Common carrier highway transport of liquid and dry bulk commodities.

The Foristall Company
900 Wilshire Blvd.
Los Angeles, California 90017
(213) 626-4524
Special transport for electronic equipment and art objects.

Transfer Agent(s):

Security Pacific National Bank
Corp. Trust Dept.
P.O. Box 30376, Terminal Annex
Los Angeles, California 90030

Stock Exchange(s): New York

Ticker Symbol: WYL

Number of Employees:

1981	2,200	1979	2,362
1980	2,400	1978	2,634

Sales and Earnings

	Net Sales †	Net Income
1981	$ 252,933,000	$ 6,589,000
1980	239,501,000	8,237,000
1979	205,253,000	4,028,000
1978	164,447,000	4,059,000
1977	133,167,000	3,710,000

	No. of Com. Shares #	Earn. per Share #
1981	5,680,000	$1.16
1980	5,500,000	1.50
1979	5,404,000	0.74

† Of continuing operations only.
# Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

	1981	1980
Wyle distributions	$ 164,447	$ 157,435
Industrial mfg.	34,254	29,153
Transportation	25,239	25,683
Scientific services & systems	28,993	27,230
Total	$ 252,933	$ 239,501

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$0.40	—	—
1980	0.32	—	5-for-4
1979	0.23	—	5-for-4
1978	0.20	—	—
1977	0.18	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 46,292,000	$8.36
1980	40,644,000	7.48
1979	33,774,000	6.34

Income Account

Year ended Jan. 31	1981	1980
Net sales	$ 252,933,000	$ 239,501,000
Cost of sales	190,485,000	180,430,000
Expenses	46,625,000	41,559,000
Other income	(991,000)	(1,653,000)
Interest expense	4,814,000	3,803,000
Income before taxes	$ 12,000,000	$ 15,362,000
Income taxes	5,411,000	7,125,000
Net Income	$ 6,589,000	$ 8,237,000

* Included in Costs and Expenses, Depreciation and Amortization: $4,354,000 in 1981 and $3,937,000 in 1980.

Assets

As of Jan. 31	1981	1980
Cash	$ 2,159,000	$ 3,701,000
Accts. receiv., net	37,814,000	38,416,000
* Inventories	37,458,000	36,173,000
Other current assets	2,367,000	1,360,000
Current Assets	$ 79,798,000	$ 79,650,000
# Fixed assets	33,115,000	24,373,000
Other assets	9,153,000	9,599,000
Total Assets	$ 122,066,000	$ 113,622,000

Liabilities

Long-term debt, curr.	$ 3,264,000	$ 3,006,000
Accts. payable	14,139,000	18,187,000
Accruals	9,572,000	9,561,000
Income taxes	852,000	2,820,000
Curr. Liabilities	$ 27,827,000	$ 33,574,000
Long-term debt	32,862,000	24,781,000
Convertible sub. debentures	10,017,000	11,114,000
Deferred inc. taxes	5,068,000	3,509,000
+ Common stock	1,848,000	1,813,000
Add paid-in capital	12,453,000	11,233,000
Retained earnings	31,991,000	27,598,000
Total Liabilities & Shareholders' Equity	$ 122,066,000	$ 113,622,000

* At lower of cost (FIFO or average method) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	4.74	6.41
%Net Income to Sales	2.61	3.44
%Net Income to Equity	14.23	20.27
Sales to Inventories	6.75	6.62
Working Capital	$ 51,971,000	$ 46,076,000
Current Ratio	2.87	2.37
Shareholders' Equity	$ 46,292,000	$ 40,644,000

Xerox Corporation

Stamford, Connecticut 06904
(203) 329-8700

Officers: C. Peter McClough, chairman of the board, chief executive officer and chairman of the executive committee; David T. Kearns, president and chief operating officer; James P. O'Neill, John S. Crowley, William F. Souders, John V. Titsworth, exec. v.p.'s; William F. Glavin, exec. v.p. & sr. staff officer; Robert M. Pippitt, Jacob E. Goldman, Melvin Howard, Robert R. Sparacino, sr. v.p.'s; Marion H. Antonini, Robert D. Firth, Frank J. Pipp, group v.p.'s; Shelby H. Carter, Jr., David J. Curtin, John H. Glavin, George E. Pake, Donald W. Pendery, Robert F. Reiser, Horace W. Becker, James S. Campbell, Donald J. Massaro, Douglas M. Reid, William J. Senter, Thorwald N. Trolle, George R. White, Joseph N. Capretta, Robert J. Kammerer, Dwight F. Ryan M. Schneider, v.p.'s; Robert S. Banks, v.p. & general counsel; E. Kent Damon, v.p. & secretary; John J. McGinty, treasurer; Stuart B. Ross, controller; R. Geoffrey Bardsley, assistant treasurer.

Directors: Kenneth R. Andrews, Howard L. Clark, Joan Ganz Cooney, Jacob E. Goldman*, Vernon E. Jordan, Jr., David T. Kearns*, C. Peter McColough*, James P. O'Neill*, Ernst H. van der Beugel, Robert M. Pippitt*, Robert A. Beck, William F. Souders*, Robert L. Sproull, Robert S. Straus, John V. Titsworth*, John S. Crowley*, William E. Simon.

*Member of Executive Committee.

Areas of Work: The company's principal industry segment is reprographics, consisting of the development, manufacture and marketing of xerograpic copiers and duplicators, electronic printing systems, and providing related services. The principal market for reprographic products is business and government offices. Also developes, makes and markets facsimile transceivers; electrostatic printers; processor memory disks and drives and high-speed terminals; electronic typing systems with and without display; automatic labeling, binding and mailing machines; microfiche printers; and xeroradiographic devices. Supplies instant-access data-processing service and related accounting and control programs to companies nationwide. Publishes textbooks, reference works and other learning materials used in schools and libraries. Provides international communications services and telephone answering, radio paging and mobile radio services in the United States.

Divisions and Subsidiaries:

Airsignal International, Inc.
One WUI Plaza
New York, New York 10004
(212) 482-6816

Arista Manufacturing Systems
Republic Square
7830 Silas Creek Parkway Ext.
Winston-Salem, North Carolina 27106
(919) 725-8504

AutEx Systems
55 Williams Street
Wellesley, Massachusetts 02135
(617) 235-1940

R.R. Bowker Co.
1180 Avenue of the Americas
New York, New York 10036
(212) 764-5100

Century Data Systems
1270 N. Kraemer Blvd.
Anaheim, California 92806
(714) 632-7500

Cheshire, Inc.
408 Washington Blvd.
Mundelein, Illinois 60060
(312) 949-2000

Corporate Business Development
Xerox Corporation
Stamford, Connecticut 06904
(203) 329-8700

Diablo Systems, Inc.
24500 Industrial Blvd.
Hayward, California 94545
(415) 786-5000

Ginn and Company
191 Spring Street
Lexington, Massachusetts 02173
(617) 861-1670

Jaques Cattell Press
Box 25001
Tempe, Arizona 85282
(602) 967-8885

Kurzweil Computer Products, Inc.
33 Cambridge Parkway
Cambridge, Massachusetts 02142
(617) 864-4700

Shugart Associates
415 Oakmead Parkway
Sunnyvale, California 94086
(408) 733-0100

Systemix
2737 Campus Drive
Irvine, California 92715
(714) 851-1010

Unipub
650 First Avenue
New York, New York 10016
(2129 686-4707

University Microfilms International
300 N. Zeeb Road
Ann Arbor, Michigan 48106
(313) 761-4700

Versatec, Inc.
2805 Bowers Avenue
Santa Clara, California 95051
(408) 988-2800

WUI, Inc.
One WUI Plaza
New York, New York 10004
(212) 363-6400

WUI/TAS, Inc.
One WUI Plaza
New York, New York 10004
(212) 482-6840

Xerox Business Products Division
Xerox Corporation
High Ridge Park (Bldg. 5)
Stamford, Connecticut 06840
(203) 329-7500

Xerox Business Systems Group
Xerox Corporation
Xerox Square
Rochester, New York
(716) 423-9200

Xerox Corporation

Xerox Canada, Inc.
703 Don Mills Road
Don Mills, Ontario M3C 15D
Canada
(416) 429-6750

Xerox Computer Services
5310 Beethoven Street
Los Angeles, California 90066
(213) 390-3461

Xerox Credit Corporation
Two Pickwick Plaza
Greenwich, Connecticut 0[illegible]
(203) 622-5440

Xerox Education Publications
245 Long Hill Road
Middletown, Connecticut 06457
(203) 347-7251

Xerox Electro-Optical Systems
300 N. Halstead Street
Pasadena, California 91107
(213) 351-2351

Fuji Xerox Co., Ltd.
3-5 Akasaka 3-chome
Minato-ku, Tokyo 107
Japan

Xerox Information Systems Division
Xerox Corporation
Xerox Square
Rochester, New York 14644

Xerox Latinamerican Group
3 Pickwick Plaza
Greenwich, Connecticut 06830
(213) 622-4700

Xerox Limited, Hong Kong
P.O. Box 489
12C Watson's Estate
North Point, Hong Kong
China

Xerox Learning Systems
One Pickwick Plaza
Greenwich, Connecticut 06830
(203) 622-5300

Xerox Magnetics
150 Charcot Avenue
San Jose, California 95131
(408) 262-4136

Xerox Medical Systems
125 N. Vinedo Avenue
Pasadena, California 91107
(213) 251-2351

Xerox Memory Systems, Inc.
3333 Bowers Avenue, Suite 250
Santa Clara, California 95051
(408) 727-7710

Xerox Middle East & North Africa
3 Pickwick Plaza
Greenwich, Connecticut 06830
(203) 622-4700

Xerox Office Products Division
Xerox Corporation
1341 W. Mockingbird Lane
Dallas, Texas 75247
(214) 689-6000

Xerox Printing Systems Division
Xerox Corporation
Continental Park
880 Apollo Street
El Segundo, California 90245
(213) 679-4511

Rank Xerox Limited
Rank Xerox House
338 Euston Road
London NW1 3BH
England

Xerox Special Businesses Division
Xerox Corporation
Xerox Square
Rochester, New York 14644

Xerox Telecommunications Network
One Jericho Plaza
Jericho, New York 11753
(516) 938-8200

Xerox Canada Inc.
Xerox International Sales Corporation
Century Data Systems, Inc.
Diablo Systems, Inc.
Lyell Holdings Limited
Rank Xerox Business Equipment, Inc.
Versatec, Inc.
Shugart Associates
Xerox Credit Corporation
Xerox Investments Incorporated
Kurzweil Computer Products, Inc.
WUI, Inc.
  Western Union International, Inc.
  Airsignal International, Inc.
  WUI/TAS Inc.

Xerox Argentina, I.C.S.A.
Xerox do Brasil, S.A.
Xerox de Chile, S.A. Reproducciones
Xerox del Ecuador, S.A.
Xerox de Mexico, S.A. de C.V.
Xerox del Peru, S.A.
Xerox de Venezuela, C.A.
Xerox de Colombia, S.A.
Xerox Research (UK) Limited
Rank Xerox Limited
Rank Xerox Holding B.V.
  Rank Xerox Manufacturing
    (Nederland) B.V.
VersateC Fabrikations G.m.b.H.
Societe Industrielle
  Rank Xerox S.A.
Bessemer Trust Limited
Fuji Xerox Co., Ltd.
Rank Xerox (U.K.) Limited
Rank Xerox (Ireland) Limited
Rank Xerox de Espana Limited
Rank Xerox Espanola S.A.
Rank Xerox (N.Z.) Ltd.
Rank Xerox S.A.
University Microfilms International Ltd.
Rank Xerox (Management) Limited
  N.V. Rank Xerox S.A.
  Rank Xerox (Australia) Pty. Ltd.
  Rank Xerox Austria G.m.b.H.
  Rank Xerox A/S
  Rank Xerox Oy
  Rank Xerox G.m.b.H.
  Rank Xerox Greece S.A.
  Rank Xerox S.p.A.
  Rank Xerox (Nederland) B.V.
  Rank Xerox A/S
  Rank Xerox A.B.
  Rank Xerox A.G.
  Office de Transformation Papetiere S.A.

Transfer Agent(s):

Lincoln First Bank N.A.
P.O. Box 1250
Rochester, New York 14603

Wells Fargo Bank, N.A.
P.O. Box 44011
San Francisco, California 94144

Stock Exchange(s): New York, Midwest, Pacific, Detroit, Philadelphia, Boston, Cincinnati, London, Paris, Amsterdam, Dusseldorf, Frankfurt, Basel, Berne, Geneva, Lausanne, Zurich.

Ticker Symbol: XRX

Number of Employees:

1980	120,480	1977	106,677
1979	115,705	1976	97,558
1978	107,679		

Sales and Earnings

	Oper. Rev. (000's)	Net Income (000's)
1980	$ 8,197,000	$ 619,000
1979	6,996,000	563,000
1978	6,018,000	489,000
1977	5,190,000	415,000
1976	4,515,000	365,000

	No. of Com. Shares #	Earn. per Share #
1980	84,423,840	$7.33
1979	84,125,133	6.69
1978	84,092,274	5.81 +
1977	83,901,945	4.95
1976	83,923,387	4.35

# Based on average number of common shares and Class B shares outstanding.
† Including extraordinary income of $12,000,000 ($0.14 per share).

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.70	—	—
1979	2.40	—	—
1978	2.00	—	—
1977	1.50	—	—
1976	1.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 3,625,000	$42.94
1979	3,221,000	88.29
1978	2,854,000	33.94
1977	2,520,000	30.04
1976	2,224,000	26.50

‡ Based on average number of common shares and Class B shares outstanding.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net Sales	$ 3,044,900	$ 2,390,100
Rentals	5,151,600	4,606,300
Total oper. revenues	$ 8,196,500	$ 6,996,400
Cost of sales	1,425,300	1,065,800
Cost of rentals	2,117,900	1,862,300
Expenses	2,866,700	2,419,600
Research & develop.	434,100	376,400
Oper. profit	$ 1,352,500	$ 1,272,300
Other charges (income)	1,400	(11,000)
Income before taxes	$ 1,351,100	$ 1,283,300
Income taxes	604,500	592,000
Minority interest	127,400	128,200
Net Income	$ 619,200	$ 563,100

*Included in Costs and Expenses, Depreciation and Amortization: $803,000,000 in 1980 and $753,000,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 86,800	$ 42,200
Bank time deposits	228,800	267,700
Marketable securities	207,300	447,700
Accts. receiv., net	1,163,800	1,120,400
Receiv. from Xerox Credit Corp.	196,300	—
Accrued rentals	376,800	259,300
*Inventories	1,086,400	785,800
Prepaid expenses & other assets	168,900	180,500

Current Assets	$ 3,515,100	$ 3,103,600
Investments	194,000	105,700
Rental Equip.	1,922,300	1,736,400
Trade receiv.	199,400	274,200
# Fixed assets	1,369,400	1,222,300
Other assets	149,000	111,400
Total Assets	$ 7,349,200	$ 6,553,600

Liabilities
(000's)

Notes payable	$ 208,400	$ 96,300
Long-term debt, curr.	80,000	40,200
Accts. payable	315,800	325,100
Accrued payroll	791,500	689,500
Other liab.	147,800	102,200
Income taxes	440,500	426,000
Curr. Liabilities	$ 1,984,000	$ 1,679,300
Long-term debt	898,300	913,000
Minority interest	499,800	431,500
Deferred credits	85,600	70,100
Deferred income taxes	123,800	110,400
Noncurrent liabilities	133,000	127,900
+ Common stock	84,300	83,900
+ Class B stock	200	200
Add. paid-in capital	304,900	286,800
Retained earnings	3,248,900	2,866,200
Class B stock receiv. & deferrals	(13,600)	(15,700)
Total Liabilities & Shareholders' Equity	$ 7,349,200	$ 6,553,600

*At lower of average cost or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	44.37	18.34
%Net Income to Revenues	20.34	8.05
%Net Income to Equity	17.08	17.48
Working Capital	$1,531,100,000	$1,424,300,000
Current Ratio	1.77	1.85
Shareholders' Equity	$3,624,700,000	$3,221,400,000

Xexex Industries, Inc.

3 Duke Place
Norwalk, Connecticut 06854
(203) 853-8001

Mailing address:

P.O. Box 332
Rowayton Station, Connecticut 06853

Officers: George Battocchio, president & treasurer; Burton Marks, secretary.

Directors: George Battocchio, chairman; Ira Nevin, Robert E. Weiss, Burton Marks, Samuel Di Stasi.

Areas of Work: Engaged in the production of circuit boards.

Transfer Agent(s):
Citibank, N.A.
New York, New York

Stock Exchange(s): Over-the-Counter

Plant Footage:

1980 . . . . . . 25,000 sq. ft.

Sales and Earnings

	Net Sales	Net Income
1980	$ 3,046,505	$ 141,130
1979	2,963,407	165,471
1978	2,658,479	187,464
1977	2,789,835	200,693
1976	1,753,870	118,274

	No. of Com. Shares ‡	Earn.per Share ‡
1980	373,600	$0.38
1979	373,600	0.44
1978	374,600	0.50
1977	374,600	0.50
1976	399,100	0.30

‡ Based on weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.11	—	—
1979	0.10	—	—
1978	0.08	—	—
1977	0.05	—	—
1976	0.05	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,137,433	$3.04
1979	1,056,775	2.83
1978	890,552	2.38
1977	721,818	1.93
1976	628,931	1.58

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 3,046,505	$ 2,963,407
Cost of sales	2,245,752	2,119,023
Expenses	606,177	555,304
Other charges	10,113	25,748
Income before taxes	$ 184,463	$ 263,332
Income taxes	43,333	97,861
Net Income	$ 141,130	$ 165,471

* Included in Costs and Expenses, Depreciation and Amortization: $167,168 in 1980 and $147,890 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 310,180	$ 155,874
Receiv., net	290,872	422,547
* Inventories	296,541	370,246
Prepaid expenses	80,758	90,776
Current Assets	$ 978,351	$ 1,039,443
# Fixed assets	871,743	797,038
Defer. charges & other assets	77,467	111,807
Total Assets	$ 1,927,561	$ 1,948,288

Liabilities

Notes payable	$ 173,219	$ 178,169
Accts. payable	242,132	319,990
Accruals	23,979	23,164
Income taxes	15,611	18,389
Other taxes	3,300	2,642
Curr. Liabilities	$ 458,241	$ 542,354
Notes payable	279,223	307,280
Deferred inc. taxes	52,664	41,879
+ Common stock	4,065	4,065
Add. paid-in capital	337,098	337,098
Retained earnings	918,930	814,960
Treasury stock	(122,660)	(99,348)
Total Liabilities & Shareholders' Equity	$ 1,927,561	$ 1,948,288

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

% Income bef. Taxes to Sales	6.05	8.89
% Net Income to Sales	4.63	5.58
% Net Income to Equity	12.41	15.66
Sales to Inventories	10.27	8.00
Working Capital	$ 520,110	$ 497,089
Current Ratio	2.14	1.92
Shareholders' Equity	$ 1,137,433	$ 1,056,775

Xonics, Inc.

515 East Touhy Avenue
Des Plaines, Illinois 60018
(312) 296-4488

Officers: Charles F. Haverty, chairman of the board, president & chief executive & operating officer; Sidney Kulek, exec. v.p., genl. mgr., corp. secy. & trsr.; Kenneth Schultz, exec. v.p.; David Anderson, sr. v.p. & chief financial officer; Frank Desser, v.p., & asst. secy.; Evar Meyer, v.p.-administration; Martin Balser, sr. v.p.

Directors: Charles F. Haverty, Sidney Kulek, Dr. Russell H. Morgan, Richard Stowe, James Blair, John A. Hill, Martin Balser, Robert F. Miller, Robert K. DiVall.

Areas of Work: Manufactures and sells medical imaging products and develops and sells commercially marketable technology products, conducting research, engineering, technical and computer-oriented services for the United States government and other markets.

Divisions and Subsidiaries:

Medical Equipment Manufacturing Company, Inc.
515 East Touhy Avenue
Des Plaines, Illinois 60018

Standard X-Ray Company
515 East Touhy Avenue
Des Plaines, Illinois 60018

Xonics Medical Systems, Inc.
515 East Touhy Avenue
Des Plaines, Illinois 60018

Radiographic Systems, Inc.
2630 Humboldt Street
Los Angeles, CA 90031

Xonics Technology, Inc.
6862 Hayvenhurst Avenue
Van Nuys, CA 91406

Transfer Agent(s):
Girard Bank
3 Girard Plaza
Philadelphia, Pennsylvania 19101

Stock Exchange(s): Pacific

Ticker Symbol: XOXP

Sales and Earnings

	Revenues +	Net Income #
1980	$ 74,678,000	$ 4,741,000
1979	88,060,742	(11,490,370)
1978	14,404,567	(4,741,911)
1977	10,741,310	(3,483,847)
1976	9,062,532	2,220,863

	No. of Com. Shares	Earn. per Share # †
1980	2,920,040	$0.79
1979	2,412,040	—
1978	2,410,440	—
1977	2,358,878	—
1976	2,185,565	1.00

(Loss)
+ Of continuing operations only.
# Including extraordinary gains of $9,610,000 ($1.45 per share) in 1980 and$360,000 ($0.16 per share) in 1976.
† Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ (1,219,000)	$ —
1979	(7,816,747)	—
1978	3,572,802	1.48
1977	8,344,927	3.54
1976	11,383,330	5.21

(Deficiency)

Income Account *

Year ended March 31	1980	1979
Net sales & revenues	$ 74,678,000	$ 88,060,742
Other income	—	2,370,264
Total income	$ 74,678,000	$ 90,431,006
Cost of sales	50,680,000	60,746,343
Write-off of prog. costs	—	3,300,140
Expenses	25,726,000	30,254,660
Interest expense	3,011,000	3,587,836
Loss before taxes	$ (4,739,000)	$ (7,457,973)
Income taxes	20,000	3,220
Loss from cont. oper.	$ (4,759,000)	$ (7,461,193)
Loss from discont. oper.	(110,000)	(4,029,177)
Net Loss	$ (4,869,000)	$ (11,490,370)
Extraord. gain	9,610,000	—
Net Loss & extraord. gain	$ 4,741,000	$ (11,490,370)

* Included in Costs and Expenses, Depreciation and Amortization: $531,000 in 1980 and $627,142 in 1979.

Assets

As of March 31	1980	1979
Cash	$ 213,000	$ 916,088
Accts. receiv., net	11,853,000	13,988,252
Other receiv.	766,000	586,915
* Inventories	19,542,000	18,025,460
Prepaid expenses	172,000	393,614
Current Assets	$ 32,546,000	$ 33,910,329
# Fixed assets	1,810,000	1,694,153
Other assets	1,439,000	1,666,951
Total Assets	$ 35,795,000	$ 37,271,433

Liabilities

	1980	1979
Bank overdraft	$ —	$ 555,858
Notes payable	13,867,000	5,773,468
Long-term debt, curr.	1,212,000	1,060,915
Accts. payable & accruals	13,375,000	17,001,025
Advance payments	563,000	601,955
Curr. Liabilities	$ 29,017,000	$ 24,993,221
Long-term debt	2,947,000	20,094,959
Redeem. pref. stock	5,050,000	—
+ Common stock	292,000	241,204
Add. paid-in capital	13,024,000	11,218,333
Retained earnings (deficit)	(14,535,000)	(19,276,284)
Total Liabilities & Shareholders' Equity	$ 35,795,000	$ 37,271,433

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	1980	1979
Working Capital	$ 3,529,000	$ 8,917,108
Current Ratio	1.12	1.36
Shareholders' Equity (Deficiency)	$ (1,219,000)	$ (7,816,747)

Youngwood Electronic Metals, Inc.

4060 Norbatrol Avenue
Murrysville, Pennsylvania 15668
(412) 243-0244

Officers: Robert A. Domin, president & treasurer; Sam Chetlin, executive vice president; Eugene R. Turk, vice president-Western Operations; Thomas A. Longo, vice president-Western Sales; Thomas A. Hill, secretary; Peter Radakovich, chief financial officer & asst. corp. secretary.

Directors: Robert A. Domin, Thomas A. Hill, Peter E. Boom, Floyd R. Ganassi, Sam Chetlin.

Areas of Work: Engaged in the manufacture of high precision lead frame and other stampings, to customers' specifications, for the semiconductor components of electronic industry. Included in the market are computers, calculators, industrial control devices, automotive, communications, radio, television and other customer applications.

Transfer Agent(s):
Mellon Bank, N.A.
Mellon Square
Pittsburgh, Pennsylvania

Stock Exchange(s): Over-the-Counter

Ticker Symbol: YEMI (NASDAQ)

Number of Employees:

1980	250	1977	200
1979	260	1976	140
1978	230		

Plant Footage:

1980	65,000 sq. ft.	1977	65,000
1979	65,000	1976	65,000
1978	65,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 18,132,976	$ (174,857)
1979	17,745,139	582,101
1978	16,249,581	349,484
1977	13,309,467	371,347
1976	9,712,495	323,883

	No. of Com. Shares	Earn. per Share #
1980	1,067,629	$ —
1979	780,187	0.73
1978	778,992	0.45
1977	660,847	0.48
1976	656,422	0.42

(Loss)
# Based on the weighted average number of common shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	—
1978	—	—	—
1977	—	10%	—
1976	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 3,670,261	$3.44
1979	2,883,178‡	3.70
1978	2,304,485‡	2.96
1977	1,905,749‡	2.88
1976	1,530,426‡	2.33

‡ After allowing for preferred stock at a liquidating value of $3.50 per share.

Income Account *

Year ended Aug. 31	1980	1979
Net sales	$ 18,132,976	$ 17,745,139
Cost of sales	16,151,497	14,736,324
Expenses	1,878,046	1,528,690
Interest expense	471,741	401,311
Other income	(27,351)	(13,487)
Income (loss) bef. taxes	$ (340,957)	$ 1,092,301
Income taxes (credit)	(166,100)	510,200
Net Income (Loss)	$ (174,857)	$ 582,101

* Included in Costs and Expenses, Depreciation: $318,016 in 1980 and $332,771 in 1979.

Assets

As of Aug. 31	1980	1979
Cash	$ 77,061	$ 138,797
Receiv., net	2,721,222	2,873,093
* Inventories	2,032,474	1,773,496
Income taxes refundable	220,000	—
Prepaid expenses	109,867	118,606
Deferred inc. taxes	52,800	85,500
Current Assets	$ 5,213,424	$ 4,989,492
Investments & other assets	348,399	236,871
# Fixed assets	3,516,386	3,165,349
Total Assets	$ 9,078,209	$ 8,391,712

Liabilities

	1980	1979
Long-term debt, curr.	$ 334,435	$ 311,115
Accts. payable	3,136,248	1,627,061
Accrued payroll & employee benefits	265,812	346,717
Income taxes	25,767	538,289
Curr. Liabilities	$ 3,762,262	$ 2,823,182
Long-term debt.	1,403,786	2,378,262
Deferred inc. taxes	241,900	220,700
+ Preferred stock	—	86,391
+ + Common stock	830,937	593,906
Add. paid-in capital	917,019	189,210
Retained earnings	1,934,589	2,112,345
Treasury stock	(12,284)	(12,284)
Total Liabilities & Shareholders' Equity	$ 9,078,209	$ 8,391,712

* At LIFO cost not in excess of market.
# Less accumulated depreciation.
+ $3.50 par value. Series A, 6¼% noncumulative.
+ + $0.75 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	—	6.16
%Net Income to Sales	—	3.28
%Net Income to Equity	—	19.60
Sales to Inventories	8.92	10.01
Working Capital	$ 1,451,162	$ 2,166,310
Current Ratio	1.39	1.77
Shareholders' Equity	$ 3,670,261	$ 2,969,568

Zenith Radio Corporation

1000 Milwaukee Avenue
Glenview, Illinois 60025
(312) 391-7000

Officers: Joseph S. Wright, chairman of the board; Revone W. Kluckman, president and chief executive officer; Walter C. Fisher executive v.p.-sales and marketing; Karl H. Horn, exec. v.p. & gen. mgr. -picture tube and components operations; Joseph P. Fiore, sr. v.p., gen. mgr. -black-and-white TV, audio and video devices operations; Robert B. Hanson, sr. v.p. & gen. mgr. -color television operations; Eugene M. Kinney, sr. v.p. -administration and public affairs; Jerry K. Pearlman, sr. v.p. -finance; Philip J. Curtis, v.p. & general counsel; David W. Denton, v.p. -human resources; Leonard Dietch, v.p. -research and development, picture tube and components operations; J.D. Dougherty, v.p. -sales; John L. McCallister, v.p. - marketing; Melvin L. Moore, v.p. -color television manufacturing;George A. Schupp, v.p. & gen. mgr. -video operatons; James A. Stark, v.p. -purchasing; A. John Torre, v.p. & gen. mgr. -picture tube operations; William A. Krein, controller; Dennis J. Waldeck, secretary, David S. Levin, asst. treasurer; Carl A. Michelotti, v.p. -color TV engineering.

Directors: Joseph S. Wright*, chairman; Thomas G. Ayers*, Harry G. Beckner, Sidney Davidson*, Walter C. Fisher, John L. Hanigan, Karl H. Horn, John H. Johnson, Eugene M. Kinney, Revone W. Kluckman*, W. Deming Lewis, Frederick G. Jaicks, Jerome Van Gorkom.

*Member of the Executive Committee

Areas of Work: Manufactures consumer electronic products, principally color and black and white television sets, radios, stereo systems and video cassete recorders. Other products include color picture tubes for sale to original equipment manufacturers, monochrome CRT display devices, and decoders for over-the-air pay TV. The company also markets electronic kits and microcomputer products in kit and assembled form through a network of 72 outlets in the U.S., Canada, and Europe. The kits are also marketed through direct mail.

Divisions and Subsidiaries:

Zenith Radio Corporation
1900 North Austin Avenue
Chicago, Illinois 60639

Zenith Radio Corporaton
Microcircuit Facility
1851 Arthur Street
Elk Grove, Illinois 60007
(312) 956-1550

Rauland Division
2407 W. North Ave.
Melrose Park, Illinois 60160
(312) 379-4600

Zenith Radio Corporaton
6001 W. Dickens Avenue
Chicago, Illinois 60639
(312) 745-2000

Zenith Radio Corporation
1500 No. Kostner Avenue
Chicago, Illinois 60651
(312) 745-2000

Zenith Radio Corporation
11000 Seymour
Franklin Park, Illinois 60131
(312) 671-6110

Central Electronics Company
Grandview & Route 133
Paris, Illinois 61944
(217) 465-6321

Zenith Electronics Corp. of Missouri
2500 E. Kearney Street
Springfield, Missouri 65801
(417) 865-8341

Zenith Electronics Corp. of Indiana
1515 No. Fulton Avenue
Evansville, Indiana 47701
(812) 423-7761

Zenith Electronics Corp. of Pennsylvania
Audio Division
601 Liberty Street
Watsontown, Pennsylvania 17777
(717) 538-9511

Zenith Electronics Corp. of Texas
P.O. Box 848
Brownsville, Texas 78520

Electro Partes de Matamoros, S.A. de C.V.
P.O. Box 848
Brownsville, Texas 78520

Partes de Television de Reynosa S.A. de C.V.
P.O. Box 848
Brownsville, Texas 78520

Zenith Taiwan Corporaton
No. 16 Chih Chiang First Road
Neili Industrial District
Chung-li Shis
Toa-Yuan Hsien, Taiwan, R.O.C.

Zenith Radio Corp. of Canada, Ltd.
1020 Islington Avenue
Toronto, Ontario M8Z 5X5, Canada
(416) 231-4171

Zenith Radio Corp. of Canada, Ltd.
900 Boul. St. Martin O.
Laval, P.Q. H72-2B6, Quebec, Canada
(514)663-0430

Zenith Distributing Corp. of Northern California
800 Mariposa Street
San Francisco, California 94119
(415) 621-8545

Zenith Distribution Corp. of New York
200 Meadowland Parkway
Secaucus, New Jersey 070094
(201) 330-9000

Zenith Distributing Copr. of Kansas
12600 West 93rd Street
Lenexa, Kansas 66215
(913) 888-4800

Zenith Distributing Corp. of Illinois
505 No. Northwest Avenue
Northlake, Illinois 60164
(312) 562-7300

Zenith International Sales Corp.
1900 North Austin Avenue
Chicago, Illinois 60639
(312) 745-2000

Zenith Data Systems
1000 North Milwaukee Avenue
Glenview, Illinois 60025
(312) 391-7000

Zenith Radio Corp. of Canada, Ltd.
1429 Mountain Avenue
R2X249
Winnipeg, Manitoba
(204) 632-9113

Zenith Radio Corp. of Canada, Ltd.
3171 No. 6 Road
V6V1P5
Richmond, British Columbia
(604) 270-8134

Heath Company
Hilltop Road
Benton Harbor, Michigan 49085
(616) 982-3200

Transfer Agent(s):

The First Natonal Bank of Chicago
One First Natonal Plaza
Chicago, Illinois 60670

Stock Exchange(s): New York, Midwest, Zurich, Basel.

Ticker Symbol: ZE

Number of Employees:

1980	25,200	1977	23,900
1979	24,000	1976	23,365
1978	22,700		
1977	23,900		

Plant Footage:

1980	9,300,000 sq. ft.	1977	9,400,000
1979	9,200,000	1976	9,400,000
1978	8,600,000		
1977	9,400,000		

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1980	$ 1,185,900	$ 26,400
1979	1,075,200	19,000
1978	980,000	23,300
1977	965,600	(4,697)
1976	947,400	38,599

	No. of Com. Shares	Earn. per Share
1980	18,862,034	$1.40
1979	18,835,900	1.01
1978	18,835,900	1.24
1977	18,835,900	—
1976	18,835,900	2.05

(Loss)
+ Of continuing operations only.

Revenues By Line of Business
(000's)

	1980	1979
Color TV	$ 774,000	$ 780,000
Other Zenith Consumer prods. & parts	241,000	232,000
Heath, computers	102,000	29,000
Components, other	69,000	34,000
Total	$ 1,186,000	$ 1,075,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.60	—	—
1979	0.90	—	—
1978	1.00	—	—
1977	1.00	—	—
1976	1.00	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 291,000,000	$15.43
1979	275,435,000	14.62
1978	273,424,000	14.52
1977	268,917,000	14.28
1976	292,450,000	15.53

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net Sales	$ 1,185,900	$ 1,075,165
Cost of sales	954,900	903,218
Expenses	177,400	133,023
Gain on sale	(1,800)	(207)
Interest expense	16,100	10,893
Other Income	(8,100)	(4,453)
Income before taxes	$ 47,400	$ 32,691
Income taxes	21,000	13,728
Net Income	$ 26,400	$ 18,963

* Included in Costs and Expenses, Depreciation and Amortization: $18,500,000 in 1980 and $16,360,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 11,700	$ 6,248
Marketable securities	51,600	1,363
Receiv., net	166,800	153,523
* Inventories	235,800	250,069
Prepaid expenses	28,900	24,763
Current Assets	$ 494,800	$ 435,966
# Fixed assets	151,100	143,594
Fixed assets pending disposal	6,000	6,897
Other assets	3,500	4,860
Total Assets	$ 655,400	$ 591,317

Liabilities
(000's)

Notes payable	$ —	$ 18,150
Accts. payable	59,100	61,230
Accruals	75,900	63,538
Accrued payroll	31,800	26,590
Income taxes	12,800	15,863
Curr. Liabilities	$ 179,600	$ 185,371
Long-term debt	160,000	110,000
Long-term oblig. under capital lease	3,000	3,025
Deferred inc. taxes	21,800	17,486
+ Common stock	19,000	19,046
Add. paid-in capital	8,200	8,640
Retained earnings	270,400	255,276
Treasury stock	(6,600)	(7,527
Total Liabilities & Shareholders' Equity	$ 655,400	$ 591,317

* At lower of cost (FIFO) or market and at cost (LIFO) which does not exceed market.
# Less accumulated depreciaton.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.00	3.04
%Net Income to Sales	2.23	1.76
%Net Income to Equity	9.07	6.88
Sales to Inventories	5.03	4.30
Working Capital	$ 315,200,000	$ 250,595,000
Current Ratio	2.76	2.35
Shareholders' Equity	$ 291,000,000	$ 275,435,000

Zero Corporation

777 Front Street
P.O. Box 509
Burbank, California 91503
(213) 846-4191

Officers: John B. Gilbert, chairman of the board; Howard W. Hill, president & chief executive officer; James E. Osterman, v.p.-finance & secretary; Earle V. Schirmer, Jay R. Manwaring, Robert C. Sherburne, vice presidents; Richard N. Holt, treasurer & assistant secretary.

Directors: John B. Gilbert, chairman; Richard R. Gomez, Howard W. Hill, Arnold D. Larson, Roger L. Putnam, Jr., Clinton G. Gerlach, Robert C. Sherburne.

Areas of Work: Engaged in the design, manufacture and sale of metal containers, cabinets, instrument cases and other packaging for the electronics and data processing industries. Also manufactures and sells proprietary plastic and metal components and assemblies used in the electronics and other industries and devices for the cooling of electronic equipment.

Divisions and Subsidiaries:

Zero-West Division
777 Front Street
Burbank, California 91503
(213) 846-4191

Zero-East Division
288 Main Street
Monson, Massachusetts 01057
(413) 267-5561

Scanbe Manufacturing
3445 Fletcher Avenue
El Monte, California 91731

McLean Engineering
70 Washington Road
Princeton Junction, New Jersey 08550
Manufactures blowers and fans for cooling electronic units.

McLean Midwest
9560 85th Avenue North
Maple Grove, Minnesota 55369
Manufactures air conditioners and heat exchangers for electronic equipment.

Affiliates:

Ocean Technology, Inc. (38% owned)
2835 North Naomi Street
Burbank, California 91504
(213) 849-7111
Provides systems engineering, research and development services and electronic equipment relating to shipboard communication, command and weapon control systems installed on U.S. Navy vessels.

Transfer Agent(s):

Security Pacific National Bank
P.O. Box 3546, Terminal Annex
Los Angeles, California 90051

Stock Exchange(s): New York,Pacific

Ticker Symbol: ZRO

Number of Employees:

1980	1,475	1977	1,200
1979	1,509	1976	1,200
1978	1,400		

Plant Footage:

1980	1,020,000 sq. ft.	1977	900,000
1979	1,008,000	1976	750,000
1978	900,000		

Sales and Earnings

	Net Sales	Net Income
1981	$ 79,266,000	$ 5,883,000
1980	65,539,000	4,740,000
1979	56,558,000	3,824,000
1978	48,454,000	2,883,000
1977	42,309,000	2,387,000

	No. of Com. Shares	Earn. per Shares ‡
1981	2,959,309	$1.97
1980	2,856,736	1.61
1979	2,262,164	1.33
1978	1,761,361	1.01
1977	1,790,959	0.84

‡ Based on weighted average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1981	1980
Specialized enclosures	$ 53,262,000	$ 48,480,000
Enclosure accessories	19,810,000	11,580,000
Other	6,194,000	5,479,000
Total	$ 79,266,000	$ 65,539,000

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1981	$0.434	—	5-for-4
1980	0.32	—	5-for-4
1979	0.269	—	—
1978	0.20	—	—
1977	0.146	—	—

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1981	$ 28,569,000	$9.65
1980	23,207,000	8.12
1979	19,257,000	6.81
1978	15,902,000	5.78
1977	13,959,000	4.98

‡ Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended March 31	1981	1980
Net sales	$ 79,266	$ 65,539
Other income	1,183	878
Total income	$ 80,449	$ 66,417
Cost of sales	52,595	44,911
Expenses	12,713	9,850
Depreciation	1,854	1,445
Interest expense	1,760	1,371
Income before taxes	$ 11,527	$ 8,840
Income taxes	5,644	4,100
Net Income	$ 5,883	$ 4,740

Assets
(000's)

Asof March 31	1981	1980
Cash	$ 777	$ 929
Marketable securities	7,317	1,016
Receiv., net	10,985	11,394
* Inventories	13,483	14,267
Prepaid expenses	487	425
Deferred inc. taxes	729	650
Current Assets	$ 33,778	$ 28,681
Investments	2,383	2,180
# Fixed assets	15,356	14,787
Other assets	1,366	455
Deferred inc. taxes	77	—
Intangibles	1,221	1,409
Total Assets	$ 54,181	$ 47,512

Liabilities
(000's)

Long-term debt, curr.	$ 938	$ 936
Accts. payable	2,507	2,197
Accruals	1,880	1,748
Accrued payroll	3,824	2,997
Income taxes	1,209	978
Other taxes	943	887
Curr. Liabilities	$ 11,301	$ 9,743
Long-term debt	7,824	8,320
Subord. debt	3,543	3,660
Non-curr. liab.	1,979	1,742
Deferred inc. taxes	—	29
Cap. lease oblig.	562	619
Minority interest	403	192
+ Common stock	2,959	2,285
Add. paid-in capital	6,319	6,118
Retained earnings	19,291	14,804
Total Liabilities & Shareholders & Equity	$ 54,181	$ 47,512

* At lower of cost (FIFO or average) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

% Income bef. Taxes to Sales	14.54	13.49
% Net Income to Sales	7.42	7.23
% Net Income to Equity	20.59	20.42
Sales to Inventories	5.88	4.59
Working Capital	$ 22,477,000	$ 18,938,000
Current Ratio	2.99	2.94
Shareholders' Equity	$ 28,569,000	$ 23,207,000

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* Inventories	918,118	710,918
Prepaid expenses	47,515	37,402
Current Assets	$ 1,924,958	$ 1,460,768
# Fixed assets	625,228	610,081
Other assets	303,004	330,398
Total Assets	$ 2,853,190	$ 2,401,247
Liabilities		
Long-term debt, curr.	$ 310,705	$ 211,029
Accts. payable	187,632	126,190
Accruals	105,559	41,520
Curr. Liabilities	$ 603,896	$ 378,739
Long-term debt	931,790	1,073,291
+ Common stock	59,554	59,554
Add. paid-in capital	1,580,390	1,580,390
Retained earnings (deficit)	(322,440)	(690,727)
Total Liabilities & Shareholders' Equity	$ 2,853,190	$ 2,401,247

* At lower of average costs (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.26	—
%Net Income to Sales	7.06	—
%Net Income to Equity	19.22	—
Sales to Inventories	3.91	3.60
Working Capital	$ 1,321,062	$ 1,082,029
Current Ratio	3.19	3.86
Shareholders' Equity	$ 1,317,504	$ 949,217

Servo Corporation of America

111 New South Road
Hicksville, New York 11802
(516) 938-9700

Officers: Henry Blackstone, chairman of the board & president; Walter O. Stanton, general vice president; Walter W. Weeden, Jr., v.p. -transportation planning & marketing; Joseph E. Bambara, v.p. -engineering; Bruce C. Steinhardt, v.p. -admn.; Joel C. Tate, v.p. -electronic sales; William L. Maher, secretary; Edgar W. Tappen, Jr., treasurer; Mildred Drasser, asst. secretary; Harry J. Miller, dir. of finance & corp. planning; John Tschinkel, dir., corp. program office; Walter E. Zwingers, dir., international marketing.

Directors: Henry Blackstone, Henry W. (Pete) Blackstone, Sigurd Hoyer-Ellefsen, George S. Lufkin, Floyd A. Lyon, Walter O. Stanton.

Areas of Work: Engaged in the design and manufacture of infrared/electro-optics components such as infrared detectors, lens assemblies for spacecraft and infrared bolometers for the metal refining industry; direction finder systems used in aviation air traffic control operations; meterological systems; devices employed to monitor and locate dangerous axle and journal conditions on moving rail cars; automatic railroad car identification systems.

Subsidiaries:

Servo International Sales Corporation (DISC)
Hicksville, New York

Transfer Agent(s):

Registrar and Transfer Company
55 Water Street
New York, New York 10041

Stock Exchange(s): American

Ticker Symbol: SCA

Sales and Earnings

	Net Sales	Net Income †
1980	$ 10,257,219	$ 371,820
1979	9,299,012	377,680
1978	6,930,814	(752,299)
1977	6,454,284	87,480
1976	9,002,609	377,001

	No. of Com. Shares	Earn. per Share ‡†
1980	626,938	$0.58
1979	606,862	0.62
1978	606,562	—
1977	610,512	0.14
1976	614,762	0.61

(Loss)
† Including extraordinary gain of $86,000 ($0.14 per share) in 1979.
‡ Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 4,090,757	$6.52
1979	3,657,953	6.03
1978	3,279,373	5.41
1977	4,048,674	6.63
1976	3,979,429	6.47

Income Account *

Year ended Oct. 31	1980	1979
Net sales	$ 10,257,219	$ 9,299,012
Cost of sales	6,367,666	6,099,440
Expenses	3,169,547	2,751,093
Oper. profit	$ 720,006	$ 448,479
Other income	10,490	82,914
Total	$ 730,496	$ 531,393
Interest expense	222,676	162,713
Income before taxes	$ 507,820	$ 368,680
Income taxes	136,000	77,000
Net Income	$ 371,820	$ 291,680
Extraord. gain	—	86,000
Net Income & extraord. gain	$ 371,820	$ 377,680

* Included in Costs and Expenses, Depreciation and Amortization: $182,760 in 1980 and $80,507 in 1979.

Assets

As of Oct. 31	1980	1979
Cash	$ 405,732	$ 389,682
Short-term invest.	203,593	100,000
Accts. receiv., net	2,328,676	2,274,113
* Inventories	2,609,548	2,313,192
Prepaid expenses	141,693	73,692
Current Assets	$ 5,689,242	$ 5,150,679
Receiv., under long-term leases	—	113,960
# Fixed assets	1,417,556	1,112,894
Other assets	43,552	89,649
Deferred tax benefits	106,000	82,000
Long-term investment	71,407	—
Total Assets	$ 7,327,757	$ 6,549,182
Liabilities		
Long-term debt, curr.	$ 243,176	$ 180,295
Accts. payable	1,114,379	943,705
Accruals	535,024	624,844
Income taxes	57,319	111,305
Curr. Liabilities	$ 1,949,898	$ 1,860,149
Long-term debt	1,045,621	860,012
Deferred comp.	241,481	171,068
+ Common stock	626,938	606,862
Add. paid-in capital	836,900	795,992
Retained earnings	2,626,919	2,255,099
Total Liabilities & Shareholders' Equity	$ 7,327,757	$ 6,549,182

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.95	3.96
%Net Income to Sales	3.62	3.14
%Net Income to Equity	9.09	7.97
Sales to Inventories	3.93	4.02
Working Capital	$ 3,739,344	$ 3,290,530
Current Ratio	2.92	2.77
Shareholders' Equity	$ 4,090,757	$ 3,657,953

SFE Technologies

(formerly San Fernando Electric Manufacturing Company)

1501 First Street
P.O. Box 351
San Fernando, California 91341
(213) 365-9411

Officers: Alan D. Rubendall, president; Jerome J. Jahn, v.p. -administration & finance, secretary; Robert O. Roberg, Robert Rubendall, v.p.'s; Michael A. Rosenberg, v.p. -technology; Joseph L. Lucia, v.p. -marketing; Robert W. Bronson, v.p. -manufacturing; Robert Kassel, H. Kermit Hawkins, Harvet Humann, division presidents.

Directors: Donald E. Rubendall, Robert O. Roberg, Alan D. Rubendall, Jerome J. Jahn, Michael A. Rosenberg, Oren Lane.

Areas of Work: Designs, manufactures and markets passive electronic components, including multi-layer ceramic capacitors and wound capacitors, quartz crystal frequency control devices, magnetic components and frequency interference filters. The products are used in telecommunications, consumer electronics, data processing, automotive and aero-space applications.

Divisions:

Electro Dynamics
5625 Foxridge Drive
Shawnee Mission, Kansas 66201
(913) 262-2500
Quartz crystals.

Stanwyck
2201 E. Elvira Road
P.O. Box 11277
Tucson, Arizona 85706
(602) 294-2646
Magnetics.

Subsidiaries:

San Fernando Electric Manufacturing Co.
1501 First Street
P.O. Box 351
San Fernando, California 91341
(213) 365-9411

West-Cap Arizona
2201 East Elvira Road
P.O. Box 11277
Tucson, Arizona 85706
(602) 294-2646
Paper, film, metalized film capacitors.

West-Cap Sales International
1501 First Street
P.o. Box 351
San Fernando, California 91341
(213) 365-9411

Transfer Agent(s):

The Bank of California, N.A.
San Francisco, California

SFE Technologies

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SFEM (NASDAQ)

Plant Footage:

1980	245,000 sq.ft.	1977	245,000
1979	245,000	1976	150,000
1978	245,000		

Sales and Earnings

	Revenues	Net Income
1980	$ 44,034,000	$ 3,363,000
1979	31,588,000	944,000
1978	26,843,000	436,000
1977	18,387,000	(848,000)
1976	14,997,000	1,110,000

	No. of Com. Shares ‡	Earn. per. Share ‡
1980	2,758,270	$1.22
1979	2,403,609	0.39
1978	2,400,107	0.18
1977	2,399,141	—
1976	2,399,141	0.46

(Loss)
‡ Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$ —	—	3-for-2
1979	—	5%	—
1978	—	5%	—
1977	0.16	5%	—
1976	0.16	5%	—

+ Adjusted to reflect stock dividends and stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 17,590,000	$6.38
1979	7,192,000	2.99
1978	6,251,501	2.60
1977	5,815,037	2.42
1976	7,041,078	2.93

+ Based on weighted average number of shares outstanding adjusted to reflect stock dividends and stock split.

Income Account *

Year ended Oct. 31	1980	1979
Net sales & other revenue	$ 44,034,000	$ 31,588,000
Cost of sales	29,807,000	23,386,000
Expenses	5,734,000	4,175,000
Depreciation	1,326,000	1,197,000
Interest expense	1,057,000	1,029,000
Income before taxes	$ 6,110,000	$ 1,801,000
Income taxes	2,747,000	857,000
Net Income	$ 3,363,000	$ 944,000

Assets

As of Oct. 31	1980	1979
Cash	$ 970,000	$ 830,000
Money mkt. invest.	3,594,000	—
Accts. receiv., net	6,726,000	4,493,000
* Inventories	11,843,000	5,984,000
Prepaid expenses	122,000	155,000
Current Assets	$ 23,255,000	$ 11,462,000
# Fixed assets	8,857,000	7,328,000
Other assets	1,950,000	2,122,000
Total assets	$ 34,062,000	$ 20,912,000

Liabilities

Long-term debt, curr.	$ 1,911,000	$ 1,938,000
Accts. payable	1,207,000	1,061,000
Accruals	1,028,000	707,000
Accrued payroll	734,000	716,000
Accrued int. pay.	247,000	183,000
Income taxes	2,792,000	813,000
Curr. Liabilities	$ 7,919,000	$ 5,418,000
Long-term debt	5,157,000	7,056,000
Cust. advance	1,908,000	—
Deferred inc. taxes	1,352,000	1,156,000
Deferred retirement	147,000	90,000
+ Common Stock	2,979,000	1,604,000
Add. paid-in capital	9,253,000	3,599,000
Retained earnings	5,347,000	1,989,000
Total Liabilities & Shareholders' Equity	$ 34,062,000	$ 20,912,000

* At lower of cost (FIFO and average) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.88	5.70
%Net Income to Sales	7.64	2.99
%Net Income to Equity	19.12	13.13
Sales to Inventories	3.72	5.28
Working Capital	$ 15,336,000	$ 6,044,000
Current Ratio	2.94	2.12
Shareholders' Equity	$ 17,590,000	$ 7,192,000

SGL Industries, Inc.

76 Euclid Avenue
Haddonfield, New Jersey 08033
(609) 429-7400

Officers: John C. Instone, president & chief exec. officer; John R. Gregor, sr. v.p. & group administrator; Jonathan R. Lax, v.p. & group administrator; John A. Ralston, III, v.p. -marketing; James E. Morris, treasurer; Robert T. Cross, v.p. -finance & secretary; William J. Blewis, asst. secretary; Stephen P. Englesbe, asst. treasurer; Newell E. Whitcomb, v.p. & group administrator; Ronald J. Baran, group administrator.

Directors: Byrne Litschgi, chairman; William M. Hess, Grant Heilman, Frnces R. Lax, Donald J. Lloyd-Jones, John C. Instone, Marlin Miller, Jr.

Areas of Work: Electrical and electronic products include magnetic components for the electronic and telephone industries; printed circuit components and other metal-etched components for the electronic, telephone and business machine industries; and electric power outlet boxes, lead-acid batteries and related accessories, spark plugs, industrial igniters, electric feed-throughs, and observation ports.

Metal products include grinding wheels and abrasives, screw machined parts for the plastic, computer, television and other industries; and specialty pipe flanges, pipe bends, tank nozzles, and the piping systems of chemical and food procesing plants.

Plastic products include a variety of high tolerance parts produced by many processes including injection molding; profile and sheet extrusion; and casting of crystal clear sheet, tube and rod.

Industrial services include industrial chrome plating; industrial electroless nickel plating; and the coating and printing of plastic and glass containers for quality cosmetic and pharmaceutical products.

Divisions:

Electrical Products Group
    SGL Auburn Spark Plug Co.
    89 York Street
    Auburn, New York 13021
    (315) 252-9501

    SGL Waber Electric
    300 Harvard Avenue
    Westlville, New Jersey 08093
    (609) 456-5400

    SGL Electronics
    300 Harvard Avenue
    Westville, New Jersey
    (609) 456-7300

    SGL Printed Circuits
    827 Black Oak Ridge Road
    Wayne, New Jersey 07470
    (201) 835-2765

Metalworking Group
    SGL Abrasives
    Cave Hill Drive
    Carlisle, Pennsylvania 17013
    (717) 234-3471

    SGL Piping Systems
    Wilmington, Delaware &
    Stafford, Texas
    (302) 995-6136
    (713) 499-2575

    B & S Screw Machine Products
    205 North Chester Pike
    Glenolden, Pennsylvania 19036
    (215) 724-4366

    SGL LUBE/systems
    Elmwood Park, New Jersey
    (201) 791-6200

Plastics Group
    SGL Plastics
    P.O. Box 211
    Nazareth, Pennsylvania 18064
    (215) 759-0280

    SGL Homalite
    11 Brookside Drive
    Wilmington, Delaware 19804
    (302) 652-3686

Services Group
    SGL Modern Creative
    Elmwood Park, New Jersey

    SGL Modern Hard Chrome Service
    Pennsauken & Camden, New Jersey
    (609) 665-8600

Transfer Agent(s):

Bradford Trust Company
2 Broadway
New York, New York 10004

The Bank of New Jersey
Camden, New Jersey 08101

Stock Exchange(s): American, Phila.

Ticker Symbol: SL

Number of Employees:

1980	1,100	1977	1,100
1979	1,100	1976	1,000
1978	1,100		

Plant Footage:

1980	591,000 sq.ft.	1977	606,000
1979	559,000	1976	510,000
1978	559,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 51,264,000	$ 2,509,000
1979	48,018,000	2,248,000
1978	45,546,892	1,975,233
1977	35,343,320	1,641,749
1976	30,031,001	1,341,242

	No. of Com. Shares ‡	Earn. per Share ‡
1980	1,326,000	$1.89
1979	1,315,000	1.71
1978	1,306,000	1.51
1977	1,306,000	1.26
1976	1,326,000	1.01

‡ Based on the average number of shares outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1980	1979	1978	1977
Electrical Energy conversion	47%	46%	44%	42%
Metalworking tech.	31	30	30	30
Specialty plastics	10	12	13	14
Manufacturing services	12	12	13	14
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.30	6%	—
1979	0.25	6%	—
1978	0.235	6%	—
1977	0.20	6%	—
1976	0.12	6%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 18,556,000	$13.99
1979	16,416,000	12.48
1978	14,452,319	11.07
1977	12,727,412	9.75
1976	11,372,350	8.58

‡ Based on average number of shares outstanding adjusted to reflect stock dividends.

Income Account

Year ended July 31	1980	1979
Net sales	$ 51,264,000	$ 48,018,000
Cost of sales	36,806,000	34,298,000
Expenses	8,393,000	8,006,000
Depreciation	913,000	870,000
Oper. profit	$ 5,152,000	$ 4,844,000
Interest income	(119,000)	—
Interest expense	250,000	365,000
Income before taxes	$ 5,021,000	$ 4,479,000
Income taxes	2,512,000	2,231,000
Net Income	$ 2,509,000	$ 2,248,000

Assets

As of July 31	1980	1979
Cash	$ 1,826,000	$ 602,000
Trade receiv., net	5,521,000	6,252,000
* Inventories	7,453,000	7,406,000
Prepaid expenses	366,000	339,000
Current Assets	$ 15,166,000	$ 14,599,000
# Fixed assets	6,894,000	6,449,000
Defer. charges & other assets	299,000	327,000
Intangibles	2,757,000	2,772,000
Total Assets	$ 25,116,000	$ 24,147,000

Liabilities

Short-term debt	$ —	$ 440,000
Long-term debt, curr.	1,665,000	630,000
Accts. payable	2,131,000	2,599,000
Accruals	1,805,000	1,642,000
Income taxes	652,000	524,000
Curr. Liabilities	$ 6,253,000	$ 5,835,000
Long-term debt	—	1,665,000
Deferred inc. taxes	307,000	231,000
+ Common stock	266,000	249,000
Add. paid-in capital	9,078,000	8,307,000
Retained earnings	9,212,000	7,860,000
Total Liabilities & Shareholders' Equity	$ 25,116,000	$ 24,147,000

* At lower of cost (FIFO or average) or market.
# Less accumulated depreciation and amortization.
+ $0.20 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.79	9.33
%Net Income to Sales	4.89	4.68
%Net Income to Equity	13.52	13.69
Sales to Inventories	6.88	6.48
Working Capital	$ 8,913,000	$ 8,764,000
Current Ratio	2.43	2.50
Shareholders' Equity	$ 18,556,000	$ 16,416,000

Sheldahl, Inc.

Northfield, Minnesota 55057
(507) 645-5633

Officers: James S. Womack, president & chief executive officer; William J. Hangen, exec. v.p. & chief operating officer; Lelan R. Jamison, Jr., v.p. & general manager-Advanced Products Div.; Gerald J. Brandt, v.p. & general manager-Electrical Products Div.; James H. Kessler, v.p.-finance, treasurer, & asst. secretary; Richard J. Slater, v.p. & general manager-Materials Div.; Stuart M. Hunter, v.p.-human resources; Edward L. Lundstrom, corp. controller; Gerald E. Magnuson, secretary.

Directors: Robert W. Gibson, Richard G. Brierley, Gerald E. Magnuson, John P. Robinson, Richard S. Wilcox, James S. Womack.

Areas of Work: Provides technological services and manufacturing to customer specifications; manufactures packaging machinery, electrical materials, flexible circuitry, solar energy collectors, electronic connectors and terminals.

Divisions:

Advanced Products Division
Northfield, Minnesota
Provides technological contract operations and research for the government and industrial customers; products include aerostats for telecommunications, weather seals for oil and gas pipelines, helicopter blade liners, tape drive tambours, submarine launch-tube diaphragms, and spacecraft insulation blankets.

Electrical Products Division
Nothfield, Minnesota
Flexible circuits; electrical laminates; adhesive-coated tapes; "Flexswitch" membrane switches.

Materials Division
Northfield, Minnesota
Electrical/electronics, insulation systems, abrasive belt splicing tapes and information systems; coating, lamination, vacuum deposition and plating.

Subsidiaries:

Sheldahl International, Inc.
Northfield, Minnesota

Sheldahl do Brasil
Sao Paulo, Brazil

Transfer Agent(s):

First National Bank of Minneapolis
Minneapolis, Minnesota

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SHEL (NASDAQ)

Number of Employees:

1980	1,077	1977	1,089
1979	1,077	1976	1,160
1978	1,077		

Sales and Earnings

	Net Sales +	Net Income ‡	No. of Com. Shares	Earn. per Share # ‡
1980	$ 28,483,000	$ 1,298,180	1,824,946	$0.70
1979	30,665,000	1,727,508	1,804,946	0.94
1978	23,765,000	401,877	1,759,446	0.21
1977	24,262,000	(999,762)	1,759,446	—
1976	17,260,000	409,557	1,766,166	0.20

(Loss)
+ Of continuing operations only.
# Based on the weighted average number of common shares and common share equivalents outstanding, after deducting dividends on preferred stock.
‡ Including extraordinary credit of $160,000 ($0.09 per share) in 1978.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 10,382,620	$5.69
1979	9,031,315	5.50
1978	7,138,845‡	4.06
1977	6,788,356‡	3.86
1976	7,836,770‡	4.44

‡ After allowing for preferred stock at voluntary redemption value.

Income Account *

Year ended August 31	1980	1979
Net sales	$ 28,483,303	$ 30,665,325
Cost of sales	19,279,317	21,188,988
Expenses	4,988,186	4,164,503
Interest expense	539,861	1,186,169
Income before taxes	$ 1,906,939	$ 2,160,655
Income taxes	1,769,000	1,965,000
Income from cont. oper.	$ 1,906,939	$ 2,160,665
Loss from discont. oper.	(608,759)	(433,157)
Net Income	$ 1,298,180	$ 1,727,508

* Included in Costs and Expenses, Depreciation: $832,579 in 1980 and $824,498 in 1979.

Assets

As of Aug. 31	1980	1979
Cash	$ 337,657	$ 575,773
Accts. receiv., net	5,593,775	6,742,144
* Inventories	5,112,258	8,530,340
Prepaid exp. & deposits	57,850	252,496
Current Assets	$ 11,101,540	$ 16,100,753
# Fixed assets	5,893,690	6,726,457
Other assets	246,232	360,412
Cash & certificates of deposit	594,450	702,653
Notes receiv. from discont. oper	1,986,522	—
Total Assets	$ 19,822,434	$ 23,890,275

Liabilities

Notes payable	$ —	$ 2,100,000
Long-term debt, curr.	509,343	316,035
Accts. payable	1,050,021	1,325,018
Accruals	1,114,776	1,781,962
Accrued payroll	927,135	1,468,755
Income taxes	536,909	1,121,781
Curr. Liabilities	$ 4,138,184	$ 8,113,551
Long-term debt	4,760,510	5,648,132
Deferred inc. taxes	541,120	1,097,277
+ Common stock	457,917	452,917
Add. paid-in capital	1,682,469	1,634,344
Retained earnings	8,263,193	6,965,013
Treasury stock	(20,959)	(20,959)
Total Liabilities & Shareholders' Equity	$ 19,822,434	$ 23,890,275

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.25 par value.

Statistical Summary

%Net Income to Equity	12.50	19.13
Sales to Inventories	5.57	3.59
Working Capital	$ 6,963,356	$ 7,987,202
Current Ratio	2.68	1.98
Shareholders' Equity	$ 10,382,620	$ 9,031,315

Sheller-Globe Corporation

1505 Jefferson Avenue
P.O. Box 962
Toledo, Ohio, 43697
(419) 255-8840

Officers: Chester Devenow, chairman & chief exec. officer; David H. Cogan, vice chairman; John R. Eastman, president; Daniel Chieger, sr. exec. v.p.-operations; James A. Graham, exec. v.p.; William H. Patterson, exec. v.p.-finance; John L. Bradley, v.p.-industrial relations & administrative services; Jerrold L. Esterline, v.p.-corp. development; William P. Gobeille, v.p.-technical operations; John C. Griffin, v.p.-customer relations; Ralph J. Hill, v.p. & controller; Robert G. Hill, James P. Kelly, Irvin M. Zimet, vice presidents; Edward Kosmo, v.p.-marketing & int'l; Thomas G. Kress, v.p. & treasurer; John F. McCuen, v.p. & general counsel; James E. Kline, secretary; James F. Ferrella, asst treasurer; Otto F. Bollenbacher, asst. secretary.

Directors: Lawrence E. Brinn, Daniel Chieger, David H. Cogan*, Chester Devenow*, John R. Eastman*, John C. Griffin*, William D. Hahn, Frank N. Ikard, H.J. McGara, Ellis B. Merry, Januarius A. Mullen, William H. Patterson*, John D. Reindel, John S.R. Shad, Howard M. Stein.

*Member of the Executive Committee.

Areas of Work: Engaged in the manufacture of products for the original equipment and automotive service markets; sheet metal stampings and assemblies; electrical instrumentation; office supplies; fractional horsepower D.C. motors and other types of motors; rubber and plastic products and assemblies; cold forged parts; non-ferrous stampings; fabricated foam products; nuclear radiation measuring instruments and systems; special purpose electronic components.

Divisions and Subsidiaries:

Electronic & Electric:

Accurate Parts
1313 South Jay Street
Kokomo, Indiana 46901
Starter drives, solenoids and starter motor components for the automotive aftermarket.

EMICO
123 North Main
Dublin, Pennsylvania 18917
Electrical meters and gauges for industrial and home use; custom electrical instruments and electronic devices.

Leece-Neville Brownsville
904 Billy Mitchell Boulevard
Brownsville, Texas 78520
Fractional horsepower D.C. motors for aftermarket or OEM application in air conditioners, heaters, defoggers and similar auto and truck equipment.

Leece-Neville Cleveland
1374 East 51st Street
Cleveland, Ohio 44103
Original equipment and replcement heavy duty alternators for trucks, buses, emergency vehicles and off-highway equipment.

Leece-Neville Gainesville
989 Athens Street, S.E.
Gainesville, Georgia 30501
Heavy-duty cranking motors and voltage regulators, AC motors for home applicances.

Victoreen, Inc.
10101 Woodland Avenue
Cleveland, Ohio 44104
Nuclear radiation measuring instruments and monitoring systems, special purpose electronic components.

Nuclear Associates
100 Voice Road
Carle Place, New York 11514
Radiation medical instruments and supplies, including products for nuclear medicine, diagnostic x-ray, ultrasound and radiation therapy.

RNI
596 Sherwood Avenue
Satellite Beach, Florida 32927
Manufacturer of diagnostic medical equipment in the nuclear field.

Transfer Agent(s):

The Ohio Citizens Trust Company
Stock Transfer Department
133 North St. Clair Street
Toledo, Ohio 43603

Chemical Bank
Stock Transfer Department
P.O. Box 1160
Church Street Station
New York, New York 10008

Stock Exchange(s): New York

Ticker Symbol: SHG

Number of Employees:

1980	10,000 sq. ft.	1977	14 500
1979	13,200	1976	13,000
1978	14,500		

Plant Footage:

1980	6,416,389 sq. ft.	1978	6,733,700
1979	6,416,398	1977	6,670,423

Sales and Earnings

	Net Sales +	Net Income
1980	$ 450,524,000	$ (20,032,000)
1979	575,815,000	13,653,000
1978	521,776,000	16,453,000
1977	460,391,000	16,744,000
1976	401,713,000	20,988,000

	No. of Com. Shares #	Earn. per Share #
1980	6,194,852	$ —
1979	6,220,388	1.84
1978	6,150,693	2.31
1977	6,097,908	2.37
1976	6,063,913	3.09

(Loss)
+ Of continuing operations only.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend.

Revenues By Line of Business
(000's)

	1980	1979
Automotive parts & assemblies	$ 373,581	$ 498,133
Office prods.	43,395	44,028
Other	33,548	33,654
Total	$ 450,524	$ 575,815

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$0.40	—	—
1979	0.70	—	—
1978	0.70	—	—
1977	0.70	—	—
1976	0.56	3%	—

‡ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity ‡	Equity Per Share +
1980	$ 87,719,000	$14.16
1979	112,343,000	18.08
1978	104,712,000	17.02
1977	93,332,268	15.31
1976	82,371,000	13.58

‡ After allowing for preferred stock at aggregate liquidating value.
+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend.

Income Account *
(000's)

Year ended Sept. 30	1980	1979
Net sales	$ 450,524	$ 575,815
Other income	5,288	2,570
Total income	$ 455,812	$ 578,385
Cost of sales	402,358	499,773
Expenses	42,456	44,964
Minority interest	157	(36)
Interest expense	9,190	6,452
Income before taxes	$ 1,651	$ 27,232
Income taxes (credit)	(400)	11,687
Income from cont. oper.	$ 2,051	$ 15,545
Loss from discont. oper.	(22,083)	(1,892)
Net Income (Loss)	$ (20,032)	$ 13,653

* Included in Costs and Expenses, Depreciation and Amortization: $10,667,000 in 1980 and $9,274,000 in 1979.

Assets
(000's)

As of Sept. 30	1980	1979
Cash	$ 1,885	$ 2,725
Short-term invest.	43,000	—
Accts. receiv.,net	61,834	92,346
Inc. taxes recov.	3,855	—
* Inventories	79,411	115,523
Prepaid expenses	4,813	6,011
Assets of discont. oper.	16,778	—
Current Assets	$ 211,576	$ 216,605
Investments & other assets	4,191	6,759
Assets of discont. oper.	3,156	—
# Fixed assets	89,592	92,932
Total Assets	$ 308,515	$ 316,296

Liabilities
(000's)

Notes payable	$ 1,412	$ —
Long-term debt, curr.	1,737	3,562
Accts. payable	29,879	37,975
Accruals	20,886	20,779
Accrued payroll	3,955	5,205
Income taxes payable	—	779
Curr. Liabilities	$ 57,869	$ 68,300
Long-term debt	113,615	87,073
Minority interest	400	281
Deferred inc. taxes	6,034	5,328
+ Preferred stock:		
$1.35 Series	930	930
$1.40 Series	358	358
$3.00 Series	1,526	1,526
+ Common stock	6,195	6,193
Add. paid-in capital	36,937	36,931
Retained earnings	84,651	109,376
Total Liabilities & Shareholders' Equity	$ 308,515	$ 316,296

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Net Income to Equity	—	8.79
Sales to Inventories	5.67	4.98
Working Capital	$ 153,707,000	$ 148,305,000
Current Ratio	3.66	3.17
Shareholders' Equity	$ 130,597,000	$ 155,314,000

SI Handling Systems, Inc.

P.O. Box 70
Easton, Pennsylvania 18042
(215) 252-7321

Officers: L. Jack Bradt, chairman of the board & chief executive officer; John G. Dorrance, exec. v.p.; Robert J. Bergren, v.p.-administration; Richard O. Dentner, v.p.-operations; Leonard S. Yurkovic, v.p.-finance; Thomas L. Hughes, v.p.-computer control systems; W. Russell Hyman, v.p.-international; E. Jerome Brose, secretary; William A. Schilling, v.p.-sales.

Directors: John R. Boehringer, L. Jack Bradt, E. Jerome Brose, John G. Dorrance, Karl-Henry Bergkvist, James H. McDougall, Andrew S. Schultz, Jr.

Areas of Work: Designs, manufactures, sells and installs mechanized and automated materials handling systems under mechanical electronic and computer control in the United States, Canada and overseas.

Subsidiaries:

SI Handling Systems International Ltd.
Cayman Islands, B.W.I.

SI Handling Systems Europe N.V.
Brussels, Belgium

SI Handling Systems (UK) Ltd.
Slough, England

Ishikawajima SI Company Ltd. (50% owned)
Tokyo, Japan

SI Handling Systems GmbH
Bremen, Germany

Mark Indicator Co. Inc.
P.O Box 70
Easton, Pennsylvania

Transfer Agent(s):

Industrial Valley Bank and Trust Company
Allentown, Pennsylvania 18101

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SIHS (NASDAQ)

Number of Employees:

1981	302	1979	355
1980	257	1978	357

Plant Footage:

1981	142,000 sq. ft.	1979	142,000
1980	142,000	1978	142,000

Sales and Earnings

	Net Sales	Net Income#
1981	$ 24,553,000	$ 527,000
1980*	27,055,000	56,000
1979	20,839,000	294,000
1978	16,972,000	132,000
1977	16,990,000	1,181,000

	No. of Com. Shares	Earn. per Share#‡
1981	843,041	$0.62
1980	843,053	0.07
1979	843,053	0.35
1978	841,882	0.15
1977	765,662	1.26

* 53 weeks.
# Including extraordinary loss of $43,000 ($0.05 per share) in 1977.
‡ Based on weighted average number of common shares and common equivalent shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$0.10	—	—
1980	0.10	—	—
1979	0.10	—	—
1978	0.10	—	—
1977	0.10	10%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1981	$ 5,395,024	$6.40
1980	4,996,009	5.93
1979	5,024,748	5.96
1978	4,809,696	5.71
1977	4,760,337	5.65

‡ Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *

Year ended	3/1/81	3/2/80
Net sales	$ 24,552,910	$ 27,054,626
Cost of sales	17,573,568	21,156,099
Expenses	4,983,254	5,035,891
Research & develop.	431,516	603,285
Prov. for doubt. accts.	59,045	202,216
Other income	(92,909)	(420,652)
Interest expense	548,418	410,081
Income before taxes	$ 1,050,018	$ 67,706
Income taxes	523,139	12,141
Net Income	$ 526,879	$ 55,565

* Included in Costs and Expenses, Depreciation and Amortization: $375,135 in 1981 and $392,411 in 1980.

Assets

As of	3/1/81	3/2/80
Cash	$ 894,164	$ 707,018
Receiv., net	6,378,039	6,138,839
Costs in exc. of billings	1,112,263	2,037,711
Deferred taxes	101,003	80,335
*Inventories	4,850,827	5,470,968
Prepaid expenses	141,932	193,565
Current Assets	$ 13,478,228	$ 14,628,436
#Fixed assets	2,011,318	2,093,882
Intangibles & other assets	556,899	627,983
Total Assets	$ 16,046,445	$ 17,350,301

Liabilities

Loan payable	$ 600,000	$ —
Long-term debt, curr.	219,401	113,287
Accts payable	2,889,848	3,662,502
Cust. deposits	1,184,216	3,144,092
Accrued payroll	900,960	975,500
Income taxes payable	568,497	—
Curr. Liabilities	$ 6,362,922	$ 7,895,381
Long-term debt	4,202,425	4,396,846
Deferred inc. taxes	85,374	62,065
Deferred compensation	700	—
+ Common stock	843,041	843,053
Add. paid-in capital	1,903,264	1,903,252
Retained earnings	2,692,279	2,249,704
Treasury stock	(43,560)	—
Total Liabilities & Shareholders' Equity	$ 16,046,445	$ 17,350,301

* At lower of cost (FIFO) or replacement market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.28	0.25
%Net Income to Sales	2.15	0.21
%Net Income to Equity	9.77	1.11
Sales to Inventories	5.06	4.95
Working Capital	$ 7,115,306	$ 6,733,055
Current Ratio	2.12	1.85
Shareholders' Equity	$ 5,395,024	$ 4,996,009

Sierra Research Corporation

247 Cayuga Road
P.O. Box 222
Buffalo, New York 14225
(716) 631-6200

Officers: Sherwood H. Calhoun, chairman of the board, president & chief executive officer; Sidney R. Ives, executive vice president; Kurt E. Mayer, vice president-finance & treasurer; Walter M. Lewicki, vice president-engineering; William G. Tapply, v.p.-marketing; Lawrence P. Mordaunt, v.p.; Alvin G. Human, vice president-manufacturing; Donald D. Weisser, v.p.- controller; John G. Putnam, Jr., secretary; Doreen M. Nolan, asst. secretary.

Directors: Sherwood H. Calhoun, Manly Fleischmann, Robert L. Ketter, C. Edgar Schabacker, Jr., G. Wayne Hawk, Herbert Mennen, Bruce K. Holloway.

Areas of Work: Designs, develops, and manufactures highly advanced computer-controlled electronic systems for a wide range of applications in both government and industry. These include radar, data transmission, aircraft navigation, factory data collection. The company also produces proprietary electronics products for the improved performance of radar installations.

Subsidiary:

Upstate Transport Consortium, Inc. (80% owned)
Engaged in the business of managing and operating district-owned school buses in New York State.

Acquisition(s):

National Telephone Systems, Inc.
Manufactures data communications systems and equipment.

Transfer Agent(s):

Bradford Trust Company
67 Broad Street
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SERE (NASDAQ)

Number of Employees:

1980	977	1977	515
1979	883	1976	480
1978	816		

Plant Footage:

1980	203,000 sq. ft.	1977	109,000
1979	162,000	1976	109,000
1978	157,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 47,849,000	$ 2,012,000
1979	39,402,000	1,531,000
1978	28,950,000	990,000
1977	21,660,000	544,000
1976	16,994,000	736,000

Common Stock Equity

	Total Equity	Equity Per Share#†
1980	$ 8,996,184	$7.08
1979	7,406,296	5.91

Sierra Research Corporation

1978	5,934,423	4.79
1977	4,975,721	4.07
1976	4,417,496	3.60

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 47,848,965	$ 39,401,504
Cost of sales	35,640,180	29,717,400
Expenses	8,201,846	6,517,658
Interest expense	590,554	400,039
Income before taxes and minority interest	$ 3,416,385	$ 2,766,407
Income taxes	1,399,515	1,224,905
Minority interest	4,561	10,409
Net Income	$ 2,012,309	$ 1,531,093

* Included in Costs and Expenses, Depreciation and Amortization: $1,098,133 in 1980 and $806,583 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 511,038	$ 448,219
Accts. receiv., net	3,702,812	3,059,845
Contracts in progress	11,837,202	9,134,254
* Inventories	2,130,905	1,021,005
Defer. income taxes	—	184,754
Prepaid expenses	129,069	104,203
Current Assets	$ 18,311,026	$ 13,952,280
Equip. leases receiv.	206,122	353,706
# Fixed assets	4,000,381	3,050,407
† Equip. leased to others	214,924	334,579
Other assets	98,526	73,874
Total Assets	$ 22,830,979	$ 17,764,846

Liabilities

Accts. payable	$ 4,400,421	$ 2,575,867
Oblig. under cap. lease	239,752	108,038
Accruals	614,378	467,545
Accrued payroll	1,145,182	1,106,209
Income taxes curr.	541,241	774,447
Income taxes deferred	7,712	—
Curr. Liabilities	$ 6,948,686	$ 5,032,106
Long-term debt	6,483,478	4,892,465
Minority interest	26,043	21,482
Deferred inc. taxes	376,588	412,497
+ Common stock	88,946	88,269
Add. paid-in capital	2,151,442	2,052,217
Retained earnings	6,790,421	5,300,435
Treasury stock	(34,625)	(34,625)
Total Liabilities & Shareholders' Equity	$ 22,830,979	$ 17,764,846

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
† Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.14	7.02
%Net Income to Sales	4.21	3.89
%Net Income to Equity	22.37	20.67
Sales to Inventories	22.45	38.59
Working Capital	$ 11,362,340	$ 8,920,174
Current Ratio	2.64	2.77
Shareholders' Equity	$ 8,996,184	$ 7,406,296

Sales and Earnings

	No. of Com. Shares #	Earn. per Share #
1980	1,270,413	$ 1.35
1979	1,252,568	1.22
1978	1,239,375	0.80
1977	1,223,799	0.45
1976	1,227,986	0.60

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.13⅓	—	3-for-2
1979	0.10	—	—
1978	0.03⅓	—	—

Sierracin Corporation

12780 San Fernando Road
Sylmar, California 91342
(213) 362-6802

Officers: Christoph Tribull, chairman of the board & chief executive officer; Thomas V. Baker, v.p.-finance, administration & secretary; Douglas Facchina, Joseph Rivlin, group v.p.'s; Ronald A. Franz, v.p.-industrial relations; Derek A. Bertocci, controller; Patricia A. Sprouse, asst. secretary.

Directors: David M. Diltz, Alan R. Stearns, Willia E. Zisch, Christoph Tribull, Thomas F. Baker.

Areas of Work: Manufactures and markets high-technology transparent products for transportation equipment, architectural glass and heating devices, temperature sensors, precision servo motors, hydraulic components and linear and switcher power supplies for industrial and aerospace markets.

Divisions and Subsidiaries:

Thermal Systems Division
13920 South Broadway
Los Angeles, Californic 90061
(213) 321-4350

Designs and manufactures special purpose electrical heating components and systems as well as sensors and controllers for such diverse industries as communications and electronic equipment, business machines, aircraft, food handling and environmental control.

Harrison Division
3020 Empire Avenue
Burbank, California 91504
(213) 849-6581

Specializes in the design and manufacture of patented hydraulic components and seals for pneumatic fluid and nuclear power applications.

Magnedyne Division
5580 El Camino Real
Carlsbad, California 92008
(714) 729-7191

Manufactures precision servo motors and tachometers for aerospace and industrial applications.

Trans Tech Division
12780 San Fernando Road
Sylmar, California 91342
(213) 362-6802

Manufactures high-impact windshields for railroad locomotives, rapid transit vehicles, custom VIP vehicles and ships.

Sylmar Division
12780 San Fernando Road
Sylmar, California 91342
(213) 367-6184

Engaged in the production of transparencies for aircraft and railroad locomotives; security glazing for architectural applications.

Power Systems Division
20536 Plummer Street
Chatsworth, California 91311

Manufactures linear and switcher power supplies for computer peripheral and communications equipment, numerically controlled machine parts and other electronicequipment.

Transmark Corporation

Engaged in the manufacture of microphotolithographic masks.

Western Thermistor Corporation
Oceanside, California

A manufacturer of temperature sensing devices.

Transfer Agent(s):

United California Bank
Los Angeles, California

Stock Exchange(s): American

Ticker Symbol: SER

Sales and Earnings

	Net Sales ‡	Net Income
1980	$ 61,044,000	$ 3,370,000
1979	44,702,000	2,293,000
1978	26,687,000	1,536,000
1977	21,975,000	1,218,000
1976	17,666,000	706,000

	No. of Com. Shares +	Earn. per Share +
1980	3,552,000	$0.95
1979	3,504,000	0.65
1978	3,516,000	0.44
1977	3,344,000	0.36
1976	3,348,000	0.21

‡ Includes other income. Of continuing operations only.
+ Based on average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1980	1979
Aerospace prods.	$ 34,265,000	$ 24,496,000
Information processing products	12,998,000	9,301,000
Industrial/Commercial prods.	13,781,000	10,905,000
Total	$ 61,044,000	$ 44,702,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.225	—	2-for-1†
1979	0.075	—	2-for-1†
1978	0.055	—	—
1977	0.05	—	—
1976	0.05	—	—

+ Adjusted to reflect stock splits.
† In the form of a 100% stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 16,139,000	$4.51
1979	13,505,000	3.82
1978	11,347,000	3.27
1977	9,771,000	2.92
1976	8,721,000	2.61

‡ Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 60,779	$ 44,482
Other income	265	220
Total income	$ 61,044	$ 44,702
Cost of sales	44,271	33,109
Expenses	9,640	7,184
Interest expense	1,238	435
Interest income	(207)	(108)
Income before taxes	$ 6,102	$ 4,082
Income taxes	2,732	1,789
Net Income	$ 3,370	$ 2,293

* Included in Costs and Expenses, Depreciation and Amortization: $1,603,000 in 1980 and $927,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash & cert. of dep.	$ 548	$ 476
Marketable securities	3,000	—
Acct. receiv., net	9,123	6.770
* Inventories	10,089	10,911
Prepaid expenses	412	364
Defer. inc. tax benefits	—	266
Current Assets	$ 23,172	$ 18,787
# Fixed assets	14,811	8,151
Other assets	2,096	1,344
Total Assets	$ 40,079	$ 28,282

Liabilities
(000's)

Notes payable	$ —	$ 1,300
Long-term debt, curr.	846	990
Accts. payable	3,701	4,063
Accruals	1,047	498
Accrued payroll	2,110	1,897
Dividends payable	136	68
Income taxes	4,149	1,054
Curr. Liabilities	$ 11.989	$ 9,870
Long-term debt	11,249	4,524
Deferred inc. taxes	702	383
+ Common stock	3,578	3,541
Add. paid-in capital	202	174
Retained earnings	12,372	9,802
Treasury stock	(13)	(12)
Total Liabilities & Shareholders' Equity	$ 40,079	$ 28,282

* At lower of cost (LIFO) or market.
# Less accumulated depreciation & amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.04	9.18
%Net Income to Sales	5.54	5.15
%Net Income to Equity	20.88	16.98
Sales to Inventories	6.02	4.08
Working Capital	$ 11,183,000	$ 8,917,000
Current Ratio	1.93	1.90
Shareholders' Equity	$ 16,139,000	$ 13,505,000

The Signal Companies, Inc.

9665 Wilshire Boulevard
P.O. Box 3704
Beverly Hills, California 90212
(213) 278-7400

Officers: Forrest N. Shumway, chairman of the board & chief executive officer; Daniel W. Derbes, president; William E. Walkup, chairman of the executive committee; Andrew J. Chitiea, sr. vice president; Brewster L. Arms, sr. vice president & general counsel; Charles S. Arledge, group v.p.; John R. Spencer, Frank P. Sanders, John W. Bold, Walter D. Sanborn, III, B. David Freundlich, vice presidents; Richard W. Rauch, v.p.-employee relations; Robert J. Runser, v.p. & controller & asst. secretary; Evelyn M. Truitt, v.p. & asst. secretary; C. Neil Ash, vice president, secretary & asst. general counsel; David H. Skinner, v.p. & treasurer & asst. secretary; Jo Ann Hankin, Gary R. Vausbinder, asst. treasurers; Dean W. Post, Kenneth P. King, asst. controllers; Michael P. Kelly, L. Earl Logue, asst. secretaries.

Directors: William E. Walkup*, chairman; Richard A. Lenon, F.N. Shumway*, H.H. Wetzel*, Clinton R. Stevenson*, Brewster L. Arms, Andrew J. Chitiea*, Robert O. Reynolds, Arch Monson, Jr., Charles S. Arledge, James V. Crawford*, Alfred W. Pelletier*, Edward J. Boling, Carla Anderson Hills, Henry G. Parks, Jr., Daniel W. Derbes.

*Member of Executive Committee.

Areas of Work: Engaged in the design, engineering, manufacture and sale of heavy duty motor trucks and truck tractors, and of aerospace and industrial products. Other principal activities of the Company include real estate and land development, radio and television broadcasting, and shipping.

Divisions and Subsidiaries:

The Garrett Corporation
9851 Sepulveda Boulevard
Los Angeles, California 90009
(213) 776-1010

Mack Trucks, Inc.
2100 Mack Boulevard
Allentown, Pennsylvania 18015
(215) 439-3011
Manufactures heavy duty trucks, engines and parts.

Dunham-Bush, Inc.
175 South Street
West Hartford, Connecticut 06110
(203) 249-8671
Designs, manufactures and distributes air conditioning, heating and refrigeration equipment for commercial, industrial and residential applications.

Signal Landmark Properties, Inc.
17890 Skypark Circle
Irvine, California 92714
(714) 979-6900
Real estate development firm.

UOP Inc.
Ten UOP Plaza
Algonquin & Mt. Prospect Roads
Des Plaines, Illinois 60016
(312) 391-2000
Involved in petroleum and petrochemical services and related products, construction and fabricated metal products; designs and manufactures seats and accessory equipment for aircraft and instrumentation for nuclear power plants, equipment for air pollution control systems; produces separation systems for water purficiation, water consevation, water reclamation and chemical processes.

Golden West Broadcasters
5858 Sunset Boulevard
Los Angeles, California 90028
(213) 469-5341

Transfer Agent(s):

Security Pacific National Bank
P.O. Box 3546, Terminal Annex
Los Angeles, California 90051

The Chase Manhattan Bank, N.A.
One New York Plaza
New York, New York 10015

Stock Exchange(s): New York, Pacific, P.B.W.

Ticker Symbol: SGN

Number of Employees:

1979	53,000	1976	42,300
1978	49,500	1975	40,800
1977	46,100		

Sales and Earnings

	Revenues † (000's)	Net Income ‡ (000's)
1979	$ 4,337,200	$ 203,700
1978	3,631,900	160,700
1977	3,027,600	101,507
1976	2,500,100	64,796
1975	2,194,600	41,135

	No. of Com. Shares +	Earn. per Share ‡ +
1979	38,600,000	$5.28
1978	38,500,000	4.17
1977	39,600,000	2.57
1976	41,300,000	1.57
1975	43,600,000	0.94

‡ Including extraordinary gain of $1,465,000 ($0.03 per share) in 1975.
+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.
† Of continuing operations only.

Revenues By Line of Business
(000's)

	1979	1978
Mack Trucks, Inc.	$ 1,833,800	$ 1,640,000
The Garrett Corporation	1,333,300	1,044,500
UOP Inc.	990,300	795,900
Dunham-Bush, Inc.	101,000	90,900
Precision Rubber Prods.	11,500	24,700
Interco. Elim.	(28,700)	(24,200)
Other Income	96,000	60,100
Total	$ 3,631,900	$ 4,337,200

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1979	$0.90	—	—
1978	0.71	—	2-for-1
1977	0.58	—	—
1976	0.49	—	—
1975	0.44	3%	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1979	$1,183,700,000	$30.67
1978	1,000,800,000	25.99
1977	874,179,000	22.08
1976	768,986,000‡	18.62
1975	754,870,935‡	17.31

+ Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.
‡ After allowing for preferred stock: $2.20 dividend and $1 dividend at liquidation values of $60 and $25, per share respectively.

Income Account
(000's)

Year ended Dec. 31	1979	1978
Net sales	$ 4,241,200	$ 3,571,800
Other income	96,000	60,100
Total Income	$ 4,337,200	$ 3,631,900
Cost of sales	3,350,400	2,784,400
Expenses	433,900	370,500
Research & development	126,000	108,800
Depreciation	53,800	46,200
Interest expense	92,000	69,000
Income before taxes	$ 281,100	$ 253,000
Income taxes	123,000	124,400
Minority interest	(36,000)	(16,600)
Inc. from cont. oper.	$ 194,100	$ 145,200
Inc. from discont. oper.	9,600	15,500
Net Income	$ 203,700	$ 160,700

Assets
(000's)

As of Dec. 31	1979	1978
Cash	$ 101,500	$ 63,500
Short-term invest.	25,900	81,000
Accts. & notes receiv., net	511,400	451,400
* Inventories	1,157,500	924,500
Prepaid income taxes & expenses	75,600	61,600
Current Assets	$ 1,871,900	$ 1,582,000
Investments & receiv.	394,600	345,200
# Fixed assets	542,500	461,000
Defer. charges	24,900	18,600
Intangibles	16,600	16,700
Total Assets	$ 2,850,500	$ 2,423,500

Liabilities
(000's)

Notes payable	$ 109,500	$ 112,800
Long-term debt, curr.	18,400	16,300
Accts. payable & accruals	673,800	568,000
Income taxes	57,700	59,800
Curr. Liabilities	$ 859,400	$ 756,900
Long-term debt	499,500	440,700
Deferred inc. taxes	130,500	121,000
Oblig. under cap. leases	40,500	46,900
Other liabilities	98,300	57,200
Minority interest	38,600	—
+ Common stock	76,700	76,600
Add. paid-in capital	270,900	257,300
Retained earnings	836,100	666,900
Total Liabilities & Shareholders' Equity	$ 2,850,500	$ 2,423,500

* At lower of cost (LIFO and average) or market.
# Less accumulated depreciation and amortization.
+ $2 par value.

Statistical Summary

% Net Income to Equity	17.21	16.06
Sales to Inventories	3.66	3.86
Working Capital	$1,012,500,000	$ 825,100,000
Current Ratio	2.18	2.09
Shareholders' Equity	$1,183,700,000	$1,000,800,000

Siliconix Incorporated

2201 Laurelwood Road
Santa Clara, California 95054
(408) 988-8000

Officers: Richard E. Lee, president; Harold G. Molyneux, sr. v.p.-U.S. operations; Arthur E. Fury, v.p.-marketing; Robert J. Loarie, v.p. & chief financial officer; Donald G. Keefe, v.p.-European operations; John W.F. Niem, v.p.-Far East operations; Kent P. Ainsworth, controller & secretary.

Directors: Richard E. Lee, chairman; Steven C. Brandt, Clifford A. Morton, Francis T. Thompson, Robert P. Rhen, Robert L. Wehrli.

Areas of Work: Designs, develops, manufactures and sells discrete devices and integrated circuits which include junction and MOS field-effect transistors (FETs) and digital linear, and large-scale integrated circuits. Product application innovations in the areas of switching, multiplexing, interface circuitry, operational and sense amplifiers, phased arrays, signal processing and LSI circuits for the data conversion, telecommunications, and timing markets are derivations of advanced components technologies.

Subsidiaries:

Siliconix, (Hong Kong) Limited
131-133 Wai Yip Street
Fourth Floor, Kwun Tong
Kowloon, Hong Kong

Siliconix (Taiwan) Limited
Nantze Export Processing Zone
Kaohsiung, Taiwan
Republic of China

Siliconix Limited
Morriston
Swansea, Wales
United Kingdom SA6 6NE

Siliconix S.A.R.L.
70-72 Avenue du General de Gaulle
Echat 559
94020 Creteil Cedex
Creteil, France

Siliconix Japan
101 Daigo Tanaka Building
4-4 Iidabashi, 3-Chome
Chiyoda-ku Tokyo, Japan 102

Siliconix GmbH
7024 Bernhausen
Postfach 1340
Johannestrasse 27
Filderstadt, West Germany

Transfer Agent(s):

United California Bank
San Francisco, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SILI (NASDAQ)

Number of Employees:

1980	2,159	1977	1,634
1979	2,190	1976	1,488
1978	1,994		

Plant Footage:

1980	284,000 sq. ft.	1977	216,000
1979	274,000	1976	201,000
1978	252,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 66,111,252	$ 2,715,915
1979	54,342,062	4,100,885
1978	43,199,272	3,307,359
1977	31,559,149	1,911,403
1976	25,019,317	1,192,437

	No. of Com. Shares #	Earn. per Share #
1980	2,464,191	$1.10
1979	2,279,418	1.80
1978	2,062,718	1.60
1977	1,965,052	0.97
1976	1,926,856	0.62

# Based on weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 31,185,106	$12.66
1979	28,256,897	11.77*
1978	18,523,056	9.98
1977	14,943,460	7.60
1976	12,820,680	6.65

* Includes the effect of 330,000 shares issued in an underwritten public offering in June 1979.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 66,111,252	$ 54,342,062
Cost of sales	36,908,505	27,265,385
Expenses	23,211,050	18,904,660
Interest expense	1,075,782	1,036,132
Income before taxes	$ 4,915,915	$ 7,135,885
Income taxes	2,200,000	3,035,000
Net Income	$ 2,715,915	$ 4,100,885

* Included in Costs and Expenses, Depreciation and Amortization: $3,744,322 in 1980 and $2,951,869 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 1,076,523	$ 1,162,723
Accts. receiv., net	14,593,792	12,500,483
* Inventories	14,582,127	12,570,406
Prepaid expenses	2,306,739	1,645,618
Current Assets	$ 32,559,181	$ 27,879,230
# Fixed assets	23,582,147	20,133,384
Other assets	154,157	133,761
Total Assets	$ 56,295,485	$ 48,146,375

Liabilities

Notes payable	$ 7,128,331	$ 3,540,431
Long-term debt, curr.	120,906	110,811
Accts. payable	3,705,665	2,875,251
Accruals	2,731,829	3,046,165
Income taxes	1,967,692	2,838,394
Curr. Liabilities	$ 15,654,423	$ 12,411,052
Long-term debt	6,015,956	5,238,426
Deferred inc. taxes	3,440,000	2,240,000
+ Common stock	13,199,408	12,732,573
Retained earnings	17,985,698	15,524,324
Total Liabilities & Shareholders' Equity	$ 56,295,485	$ 48,146,375

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	7.44	13.13
%Net Income to Sales	4.11	7.55
%Net Income to Equity	8.71	14.51
Sales to Inventories	4.53	4.32
Working Capital	$ 16,904,758	$ 15,468,178
Current Ratio	2.08	2.25
Shareholders' Equity	$ 31,185,106	$ 28,256,897

Simmonds Precision Products Inc.

150 White Plains Road
Tarrytown, New York 10591
(914) 631-7500

Officers: Geoffrey R. Simmonds, chairman & chief executive officer; Roy A. Higgins, exec. v.p. & financial officer; Howard P. Rowell, Robert I. August, vice presidents; Howard F. Matus, v.p.-corp. relations; Douglas M. Coombs, v.p.-legal; Charles R. Dyon, Jr., v.p.-human resources; Kevin P. Gallen, v.p. & general counsel; Bob L. Petty, v.p.-Aerospace Development; Jonathan C. Kerner, treasurer & asst. secretary; Nicholas R. Vertucci, corp. controller.

Directors: Neil D. Naiden, Geoffrey R. Simmonds, J. Ross MacDonald, F. Robert Naka, Brian G. Wolfson, Theodore D. Nierenberg, Frederick J. Mancheski, Lionel N. Sterling.

Areas of Work: Manufactures electronic components and computer-based systems for aerospace and industrial applications, including fuel management systems and cockpit instrumentation for commercial and military aircraft; ignition systems, power conditioning equipment and accessories for aerospace and marine turbine engines; flight control and accessory actuators for missiles, drones and aircraft; plastic water control systems for the European construction market; and industrial ignition systems, LNG measurement systems and monitoring and control systems for electrical generating plants.

Divisions and Subsidiaries:

Instrument Systems Division
Panton Road
Vergennes, Vermont 05491
(802) 877-2911

Engine Systems Division
Norwich-Oxford Road
Norwich, New York 13815
(607) 334-3264

Industrial Controls Division
Meigs Road
Vergennes, Vermont 05491

Product Support Division
1525 N.W. 167th St.
Miami, Florida 33169

Simmonds Precision Canada, Ltd.
2756 Slough Street
Mississauga, Ontario, Canada

Motion Controls Division
197 Ridgedale Avenue
Cedar Knolls, New Jersey 07927

Simmonds Precision N.V.
Zutphensestratt 139
Postbus 1,
Brummen, The Netherlands

Simmonds Precision GmbH
Lippeplatz 9, Postfach 470
Wesel/Ndrh. 4230, West Germany

Co-Operative Industries Division
100 Oakdale Road
Chester, New Jersey 07930

Bel Aire Instruments
6730 West Kellogg
Wichita, Kansas 67209

NASCO International, Inc.
8075 N.W. 53rd St.
Miami, Florida 33166

Glendale/Inter-Avia Instruments
5930 San Fernando Road
Glendale, California 91202

Simmonds Precision AG
Hargartenweg 268
8185 Rueti bei Buelach
Switzerland

Transfer Agent(s):

Bank of New York
90 Washington Street
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: SP

Sales and Earnings

	Net Sales †	Net Income #
1980	$ 131,979,000	$ 479,000
1979	107,632,000	6,254,000
1978	82,257,000	5,129,000
1977	65,965,000	4,243,000
1976	50,474,000	3,665,000

	No. of Com. Shares +	Earn. per Shares + #
1980	4,865,000	$0.10
1979	4,643,000	1.35
1978	4,214,000	1.22
1977	4,120,000	1.03
1976	4,094,000	0.89

† Of continuing operations only.

+ Based on the average number of common shares and common share equivalents outstanding.

# Including extraordinary gains of $470,000 ($0.11 per share) in 1977 and $648,000 ($0.15 per share) in 1976.

Revenues By Line of Business

	1980	1979
Instrument systems	$ 64,594,000	$ 51,475,000
Engine control systems	41,421,000	34,410,000
Motion control systems	14,832,000	12,793,000
Gas & water controls	11,132,000	8,954,000
Total	$ 131,979,000	$ 107,632,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.30	—	—
1979	0.26	—	—
1978	0.22	—	—
1977	0.19	—	—
1976	0.15	—	—

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 44,197,000	$9.08
1979	44,124,000	9.22
1978	29,567,000	7.24
1977	24,913,000	6.05
1976	21,221,000	5.18

# Based on average number of commmon shares and common share equivalents outstanding.

Income Account
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 131,979	$ 107,632
Cost of sales	86,849	70,123
Expenses	26,377	22,943
Dispos. of prod line	4,600	—
Interest expense	2,549	1,469
Other income	(296)	(260)
Income before taxes	$ 11,900	$ 13,357
Income taxes	3,435	5,883
Income from cont. oper.	$ 8,465	$ 7,474
Loss from discont. oper.	(7,986)	(1,220)
Net Income	$ 479	$ 6,254

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 1,365	$ 3,367
Receiv., net	23,377	19,847
* Inventories	32,224	32,328
Def. tax benefits	5,397	—
Other assets	412	489
Assets of discont. oper.	2,570	—
Current Assets	$ 65,345	$ 56,031
# Fixed assets	17,179	14,534
Goodwill	6,762	6,824
Other assets	1,434	989
Total Assets	$ 90,720	$ 78,378

Liabilities
(000's)

	1980	1979
Notes payable	$ 1,696	$ 360
Long-term debt, curr.	1,481	1,080
Accts. payable	7,671	7,135
Accruals	6,287	6,352
Income taxes	442	1,068
Other liabilities	4,702	508
Current Liabilities	$ 22,279	$ 16,503
Long-term debt	22,552	14,790
Deferred inc. taxes	553	2,416
Other liabilities	1,139	545
+ Common stock	1,225	1,208
Add. paid-in capital	17,964	17,043
Retained earnings	25,100	26,076
Treasury stock	(92)	(203)
Total Liabilities & Shareholders' Equity	$ 90,720	$ 78,378

* At lower average cost (replacement cost or net realizable value) or market.

# Less accumulated depreciation.

+ $0.25 par value.

Statistical Summary

	1980	1979
%Net Income to Equity	1.08	14.17
Sales to Inventories	4.10	3.33
Working Capital	$ 43,066,000	$ 39,528,000
Current Ratio	2.93	3.40
Shareholders' Equity	$ 44,197,000	$ 44,124,000

The Singer Company

8 Stamford Forum
Stamford, Connecticut 06904
(203) 356-4200

Officers: Joseph B. Flavin, chairman & chief executive officer; William F. Schmied, president & chief operating officer; James J. Johnson, exec. v.p.-Sewing Products & Consumer Durables Group; Irwin Engelman, v.p. & chief financial officer; John J. Collins, v.p.-industrial products operation, Sewing Products Group; Richard W. Snyder, v.p.-Air Conditioning & Heating Equipment; John P. Van Duyne, v.p.-engineering; John N. Sprague, v.p. & treasurer; Edmond W. Cattan, v.p. & general tax counsel; George R. Cogar, v.p.; Charles F. Keffer, v.p.-Education Division; Jack H. Venner, v.p.-Meter Division; Edward J. Keehn, v.p., Sewing Products & Consumer Durables; Robert J.M. Fisher, v.p.-U.S. Div., Sewing Products Group; Leo G. Blatz, v.p. & controller; Maurice Center, v.p.-Librascope Div.; Paul D. O'Connor, Jr., v.p.-general counsel; Leonard Fischer, group v.p.-products manufactured for the consumer group; Benjamin A. Shaw, Jr., group v.p.-products & services for gov't;Patricio H. Andrade-Marin, v.p.-Int'l. Div., Sewing Products Group; L. John Clark, v.p.-sewing products operations staff; Robert J. Lynch, v.p.-corp. admn., Neil J. Morrow, v.p., North America & Europe Div., Sewing Products Group; Ralph K. Kessler, secretary.

Directors: Joseph B. Flavin*, chairman; Arthur H. Fredston, Donald E. Meads*, Lloyd L. Kelly, Francis E. Ferguson, James W. McKee, Jr.*, Robert P. Jensen*, Arthur J. Santry, Jr.*, Polly Bergen, Randolph W. Bromery, William F. Schmied.

*Member of Executive Committee

Areas of Work: Operates a worldwide chain of Singer stores which sell at retail consumer goods manufactured by the Company; Consumer Sewing Machines and Related Products include sewing machines, cabinets and sewing aids, fabrics, sewing options, and floor care equipment. Manufactures and markets industrial sewing machines. Products and Services for Government include the aerospace and marine systems product area, and educational products and services. Aerospace systems operations include a broad line of navigation systems for aircraft, spacecraft, and marine vessels; guidance systems for missiles; anti-sub-marine warfare systems; aircraft, spacecraft, marine and industrial simulators; large-screen display systems; educational materials, audio-visual equipment and training products; electronic intelligence systems; telecommunications; terminals; and related systems and products. Products manufactured for the consumer include air conditioning and heating equipment, controls, meters, furniture and motor products such as vacuum cleaners and power tools manufactured for Sears Roebuck & Co.

Electronic & Related Divisions & Subsidiaries:

International Sewing Products Group
8 Stamford Forum
Stamford, Connecticut 06904
(203) 356-4200

Products: sewing machines, cabinets and sewing aids, fabrics, sewing notions, knitting machines; television, stereo and radio units; electric fans; refrigerators; washing machines; electric and gas ranges; air conditioners; and floor care equipment.

Far East Region
Singer Thailand Limited
321 Siphya Road
P.O. Box 136
Bangkok, Thailand

Pacific Region
Singer Sewing Machine Company
Room 706 Cattelya Building
Salcedo St. Legaspi Village
Makati, Rizal, Philippines

Japan Management
Singer Sewing Machine Company
5-27, Roppongi 3-chome
Minatoku (Azabu P.O. Box 24)
Tokyo, Japan

Caribbean & Latin America Region
Singer Sewing Machine Company
Ave. Principal de Boleita Norte,
al Lado CANTV
Caracas, 107, Venezuela

Brazil Region
Singer Sewing Machine Company
Praca Carlos 194, 3 Andar
Caixa Postal 7157
Sao Paulo, Brazil

Africa and Middle East Region
Singer Sewing Machine Company
Starco Building, 2nd Floor
P.O. Box 110094
Beirut, Lebanon

The Singer Company

Climate Control Division
1300 Federal Boulevard
Carteret, New Jersey 07008
(201) 636-3000

Electric heating products, incremental heating and air conditioning systems, energy conservation conditioning equipment for hotels, apartments, hospitals, office buildings , schools and residential and commercial use; heating and air conditioning systems for residential and commercial use; warm air furnaces-gas, oil and electric. Rooftop heating and cooling systems. Electric heating elements and electric, oil and gas boilers. Electric resistance elements in tubular, flat strip, or cartridge shapes. Aluminum tin/copper tube coils; heating and cooling coils; refrigeration equipment.

Motor Products Division
P.O. Box 35
Pickens, South Carolina 29671
(803) 878-6331

Portable electric tools, aluminum die castings, small universal motors.

Products and Services for Government Group.

Aerospace and Marine Systems Division
8 Stamford Forum
Stamford, Connecticut
(203) 356-4200

Navigation systems for aircraft, spacecraft and marine vessels; guidance systems for missiles; antisubmarine warfare systems; aircraft, spacecraft, marine and industrial simulators; audio-visual equipment, education materials and training products for the U.S. Government.

Kearfott Division
1150 McBride Avenue
Little Falls, New Jersey 07424
(201) 256-4000

Products: Airborne inertial, Doppler and hybrid navigation and guidance systems; time ordered ranging systems; analog computers; digital computers; analog-digital/digital-analog converters; airborne multiplex systems; digitally controlled support equipment; test equipment platforms, gyros, accelerometers and inertial packages; electronic assemblies; servomechanism components including synchros, resolvers, sevomotors and tachometers; synchronous and stepping motors; electromechanical and hudraulic actuators.

HRB-Singer, Inc.
P.O. Box 60
Science Park
State College, Pennsylvania 16801
(814) 238-4311

ESM Systems which includes: system engineering and analysis, airborne reconnaissance systems, fixed and mobile signal processing, graphic computer analysis techniques, special signal analysis techniques, quick reaction capability, special purpose displays and EW simulation.

Librascope Division
833 Sonora Avenue
Glendale, California 91201
(213) 244-6541

Products: Naval weapon control systems, underwater acoustic systems, computing and data processing systems for shipborne antisubmarine warfare applications; mobile command/control and communications systems for the army; fixed station command/control systems for air defense including real-time displays ranging from CRT to very large screen; computer peripheral equipment such as disc memories and encoders.

Link Flight Simulation Division
Binghamton, New York 13902
(607) 772-3011

Products: Simulators for aircraft flight and mission, missile and spacecraft, and visual; general aviation flight trainers.

Silver Spring Operations
11800 Tech Road
Montgomery Industrial Park
Silver Springs, Maryland 20904
(301) 622-4400

Products: Simulators for ASW flight and tactics, helicopter, locomotive, ships handling, VTOL trainers for aircraft flight, cockpit procedures, flight procedures; Part task, radar, submarine, power generating station simulators.

Advanced Products Operation
1077 East Arques Avenue
Sunnyvale, California 94086
(408) 732-3800

Products: Digital data recording systems, visual simulation, precision scanning, radar landmass simulation, video data processing systems; research and development.

The Singer (U.K.) Ltd.
Link-Miles Operation
Churchill Industrial Estate
Lancing, Sussex, England

Products: Cockpit procedures trainers, flight simulators, visual systems, tracked vehicle simulators.

Metering and Controls

Meter Division
13500 Philmont Avenue
Philadelphia Pennsylvania 19116
(215) 673-2100

Products: Flow meters, flow control instruments, large gas meters, gas equipment accessory apparatus, turbine meters, laboratory apparatus.

Canadian Meter Company Limited
3037 Derry Road West
Milton, Ontario, Canada
(416) 878-2361

Canadian Meter Company Limited
9919 65th Avenue
Edmonton, Alberta, Canada
(403) 434-8705

International Gas Apparatus
Camberley, Surrey, England

Internationale Gas Apparaten, B.V.
Kaatsheuvel, Netherlands

Controls Division
9655 W. Soreng Avenue
Schiller Park, Illinois 60176
(312) 678-4150

Appliance and Automative Controls

(312) 678-4150

Products: Programmers, timers, liquid level controls, liquid flow controls, solenoids, synchronous motors, snap switches. (Controls for automobiles, washing machines, driers, dishwashers, vending machines, microwave ovens, display signs, humidifiers, and numerous industrial applications.)

Heat and Air Conditioning Controls
2450 North 32nd Street
Milwaukee, Wisconsin 53245

Products: Air conditioning and refrigeration controls, including automatic expansion valves; pressure regulating valves; refrigerant filter driers; solenoid valves; thermal-electric expansion valves, thermostatic expansion valves; thermostats, line voltage and low voltage; time delay relays, linear limit switches, sequencers; water regulating valves; automotive air conditioning controls; electric heat controls.

Controls Canada
Controls Company Canada Limited
39 Burwell Road
St. Thomas, Ontario, Canada
(519) 613-1750

Products: Gas, electric and oil comfort heating and appliance controls, refrigerant filter driers, fractional h.p. motors.

Controls Europe
Singer Sewing Machine Company
Controls European Operation
Fabrieksweg 11
P.O. Box 208
Nijmegen 6801, Netherlands

Transfer Agent(s):

The First Jersey National Bank (common & $3.50, $1.50 & $12.50 Series preferred stock)
Stock Transfer Division
One Exchange Place
Jersey City, New Jersey 07303

Crocker National Bank (common & $3.50 preferred stock)
P.O. Box 38005
San Francisco, California 94138

Stock Exchange(s): New York, Pacific, Boston*, Midwest*, Phila.-Balt.-Wash*, Cincinnati*, Paris, London.

* Trading privileges only.

Ticker Symbol: SMF

Number of Employees:

1980	71,000	1977	86,000
1979	77,000	1976	85,000
1978	81,000		

Sales and Earnings

	Net Sales + (000's)	Net Income ‡ (000's)
1980	$ 2,786,600	$ 38,100
1979	2,598,100	(92,300)
1978	2,469,200	62,800
1977	2,284,800	94,200
1976	2,114,700	74,200
1975	1,979,600	(451,900)

	No. of Com. Shares †	Earn. per Share ‡†
1980	16,591,247	$1.92
1979	16,577,217	—
1978	16,575,868	3.33
1977	16,548,019	5.11
1976	17,312,442	3.98
1975	17,312,442	—

(Loss)

+ Of continuing operations only.

‡ Including extraordinary gains of $2,500,000 ($0.14 per share) in 1978, $16,400,000 ($0.94 per share) in 1977 and $14,000,000 ($0.80 per share) in 1976.

† Based on the monthly average number of common shares and common share equivalents outstanding.

Revenues By Line of Business†
(000's)

	1980	1979
Consumer sewing mach. & rel. products	$ 1,212,700	$ 1,195,800
Industrial sewing mach. rel. products	146,300	142,600
Furniture	141,900	151,000
Power tools & floor care	171,000	162,000
Controls prods.	111,400	118,100
Air cond. & heating equipment	127,000	134,300
Meter prods.	116,500	90,300
Aerospace & Marine sys.	662,800	519,800
Education	97,000	84,200
Total	$ 2,786,600	$ 2,598,100

† Of continuing operations only.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.10	—	—
1979	0.50	—	—
1978	0.75	—	—
1977	0.25	—	—
1976	0.10	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$ 250,400,000	$15.09
1979	218,600,000	13.19

1978	324,600,000	19.58
1977	278,600,000	16.84
1976	192,800,000	11.66

‡ After allowing for preferred stock at total liquidation preference value.

Income Account
(000's)

Year ended Dec. 31	1980	1979
Net Sales	$ 2,786,600	$ 2,598,100
Cost of sales	1,944,500	1,754,900
Expenses	711,400	716,500
Other income	(49,800)	(11,800)
Minority interest	(7,800)	(12,200)
Interest expense	77,500	60,300
For. exch. adjust.	11,400	25,100
Prov. for facility closings	—	130,000
Income (loss) before taxes	$ 99,400	$ (64,700)
Income taxes	61,300	27,600
Net Income (Loss)	$ 38,100	$ (92,300)

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 51,100	$ 69,300
Accts. receiv., net	493,800	410,700
* Inventories	538,500	526,900
Prepaid expenses	12,000	11,400
Current Assets	$ 1,095,400	$ 1,018,300
Investments	106,700	118,200
# Fixed assets	275,200	289,100
Other assets	52,000	56,800
Total Assets	$ 1,529,300	$ 1,482,400

Liabilities
(000's)

Notes & loans payable	$ 155,100	$ 109,700
Long-term debt, curr.	26,800	30,000
Accts. payable	204,600	191,900
Accruals	294,800	309,300
Income taxes	43,200	18,700
Curr. Liabilities	$ 724,500	$ 659,600
Long-term debt	276,100	298,900
Other liabilities	101,300	127,600
+ Preferred stock	25,400	25,500
+ + Common stock	165,900	165,800
Add. paid-in capital	37,000	37,000
Retained earnings	199,100	168,000
Total Liabilities & Shareholders' Equity	$ 1,529,300	$ 1,482,400

* At lower of cost or (FIFO) or market.
# Less accumulated depreciation.
+ No par value.
+ + $10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	3.57	—
%Net Income to Revenues	1.37	—
%Net Income to Equity	8.91	—
Sales to Inventories	5.17	4.93
Working Capital	$ 370,900,000	$ 358,700,000
Current Ratio	1.51	1.54
Shareholders' Equity	$ 427,400,000	$ 396,300,000

The Sippican Corporation

Barnabas Road
Marion, Massachusetts 02738
(617) 748-1160

Officers: W. Van Alan Clark, Jr., chairman of the board; Thayer Francis, Jr., president & treasurer; William J. LeMessurier, Richard I. Arthur, W.W. Castor, Joel J. Ewen, Albert L. Romaneski, v.p's; Edward M. Cooney, v.p. & secretary; Robert L. Rosbe, Jr., v.p. -finance.

Directors: W. Van Alan Clark, Jr., chairman; Thayer Francis, Jr., Burgess Dempster, William J. LeMessurier, Robert S. Ames, Daniel Semels, Donald L. Kuntz.

Divisions and Subsidiaries:

Ocean Systems Division
Barnabas Road
Marion, Massachusetts 02738
(617) 748-1160

Developer and producer of the Expendable Bathythermograph systems, and related sensor instruments. These devices, launched from ships, submarines and helicopters give an accurate profile of water temperature versus depth. Various types of shipboard auxiliary equipment used to record or process this information in either digital or analog form are included in this product line.

Aviation Simulation Technology, Inc.
Hanscom Field-East
Bedford, Massachusetts 01730
(617) 274-6600

Aviation simulators for the general aviation market.

Sippican Consultants International, Inc. (SCI)
1033 Massachusetts Avenue
Cambridge, Massachusetts 02238
(617) 868-1200

Structural, facility and water treatment/distribution, design services.

SCI Rome
SCI Riyadh
LeMessurier Associates/SCI
Francis Associates/SCI
Tighe & Bond/SCI

Transfer Agent(s):

State Street Bank and Trust Company
Box 5003
Boston, Masschusetts 02107

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SIPP (NASDAQ)

Number of Employees:

1979	543	1977	614
1978	670	1976	425

Plant Footage:

1979	175,000 sq.ft.	1977	175,000
1978	175,000		

Sales and Earnings

	Net Sales +	Net Income
1980	$ 23,377,000	$ 2,678,863
1979	21,446,000	(1,099,341)
1978	18,250,000	2,279,109
1977	17,443,000	1,419,566
1976	10,768,000	254,972

	No. of Com. Shares #	Earn. per Share #
1980	1,077,075	$ —
1979	1,035,480	—
1978	993,454	2.29
1977	920,238	1.54
1976	920,538	0.28

(Loss)
+ Includes product sales, engineering revenues and royalties of continuing operations only.
# Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1980	1979
Consulting engineering	$ 10,858,000	$ 12,763,000
Oceanographic instrument	11,618,000	8,621,000
Other elec. equip.	901,000	62,000
Total	$ 23,377,000	$ 21,446,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$ 7,004,176	$6.50
1979	9,281,559	8.96
1978	8,555,863 ‡	8.61
1977	6,236,415 ‡	6.78
1976	4,794,923 ‡	5.21

‡ After allowing for preferred stock at liquidation value of $100 per share.
# Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1980	1979
Revenues	$ 23,376,582	$ 21,445,591
Cost of sales & revenues	15,479,016	14,452,968
Expenses	7,214,614	5,569,038
Interest income	(26,798)	(425,496)
Income before taxes	$ 709,750	$ 1,849,081
Income taxes	516,000	987,000
Minority interest	—	166,407
Income-cont. oper.	$ 193,750	$ 695,674
Loss-discont. oper.	(2,872,613)	(1,795,015)
Net Loss	$ (2,678,863)	$ (1,099,341)

* Included in Costs and Expenses, Depreciation and Amortization: $1,165,093 in 1980 and $508,567 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 1,875,736	$ 2,220,019
Accts. receiv., net	3,828,087	5,080,550
Contracts in prog.	1,050,948	1,518,209
* Inventories	1,703,617	1,264,121
Prepaid expenses	404,571	144,631
Assets of discont. oper.	1,253,196	3,170,944
Current Assets	$ 10,116,155	$ 13,398,474
Investments	342,823	117,529
# Fixed assets	3,822,072	2,968,005
Other assets	1,910,818	2,942,357
Total Assets	$ 16,191,868	$ 19,426,365

Liabilities

Long-term debt, curr.	$ 490,303	$ 364,589
Cust. advances	383,280	596,116
Accts. payable	868,349	649,189
Accruals	1,946,778	2,196,339
Accrued payroll	510,633	474,425
Deferred inc. taxes	140,000	724,000
Liab. of discont. oper.	1,568,504	615,006
Curr. Liabilities	$ 5,907,847	$ 5,619,664
Long-term debt.	2,257,914	882,168
Minority interest	—	1,366,547
Deferred inc. taxes	600,000	1,908,000
Compens. payable	421,931	368,427
+ Common stock	1,073,137	963,546
Add. paid-in capital	5,755,596	5,463,707
Retained earnings	175,443	2,854,306
Total Liabilities & Shareholders' Equity	$ 16,191,868	$ 19,426,365

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

Working Capital	$ 4,208,308	$ 7,778,810
Current Ratio	1.71	2.38
Shareholders' Equity	$ 7,004,176	$ 9,281,559

Snap-on Tools Corporation

2801 80th Street
Kenosha, Wisconsin 53140
(414) 656-5200

Officers: Norman E. Lutz, chairman of the board & chief executive officer; Edwin C. Shindler, president & chief executive officer; William B. Rayburn, executive vice president & chief operating officer; Robert E. Badger, sr. v.p.-finance & corp. planning; Lynn A. Ameche, sr. v.p.-marketing; Marion F. Gregory, sr. v.p.-mfg. & product research & development; Harry W. Fry, v.p.-administration; Elden B. Weiss, v.p.-marketing services; Robert L. Hart, v.p.-product research & development; John J. Greene, v.p.-employee relations; Hy Weiner, v.p.-manufacturing; Reginald R. Gadsby, v.p.-international; Donald J. Johnson, v.p., & secretary; Robert J. Amen, Allen L. Hoftiezer, J. Ralph Brady, divisional v.p.'s; Earl B. Reed, v.p.-nat'l sales; Robert C. Stenman, v.p.-planning; Lowell L. Larson, treasurer; James R. Askeris, controller; Michael F. Montemurro, asst. treasurer; Joseph R. Olson, asst. secretary & general counsel.

Directors: Lorne E. Bull, Donald J. Johnson, Gilbert H. McCreery, Edwin C. Schlindler, Norman E. Lutz, Stanley G. Harris, Jr., Roger G. Delong, Miller Upton, William B. Rayburn, Robert E. Badger, Arthur L. Kelly, James M. Tait.

Areas of Work: Manufactures hand tools for the professional automotive mechanic and industrial tool user, electronic diagnostic equipment, sheet metal tool chests and cabinents, wheel aligning and balancing equipment and air powered tools.

Subsidiaries:

Kelsey Welding Supply Corporation
6915 30th Avenue
Kenosha, Wisconsin 53140
(414) 654-9178
Industrial tools and welding supplies.

Snap-on Tools of Canada Ltd.
Toronto, Ontario, Canada
Manufactures tools, tool chests and cabinets.

Herramientas Snap-on de Mexico, S.A.
Vallejo, Mexico
Distributes U.S. Mexican manufactured products throughout Mexico.

Snap-on AG
Zug, Switzerland
Distributes U.S. manufactured products throughout continental Europe.

Snap-on Tools de Mexico, S.A. de C.V.
Vallejo, Mexico
Manufactures basic tools.

Snap-on Tools International, Ltd. (DISC)
Kenosha, Wisconsin
Domestic international sales corporation.

Snap-on Tools Limited
Kettering Northant's, England
Distributes U.S. and Canadian manufactured products throughout England.

Snap-on Tools GmbH
Willsbach, West Germany

Transfer Agent(s):

Harris Trust and Savings Bank
111 W. Monroe
Chicago, Illinois 60690

Stock Exchange(s): New York

Ticker Symbol: SNA

Number of Employees:

1979	6,200	1977	5,225
1978	5,700	1976	4,860

Plant Footage:

1980	1,494,500 sq.ft.	1977	1,232,000
1979	1,494,500	1976	1,180,000
1978	1,318,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 401,799,000	$ 38,322,000
1979	373,602,000	42,603,000
1978	308,892,000	32,246,000
1977	254,383,000	22,265,000
1976	212,170,000	19,109,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	19,939,010	$1.92
1979	19,731,935	2.16
1978	19,616,232	1.64
1977	19,550,742	1.14
1976	19,492,328	0.98

‡ Based on the average number of common shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.83	—	—
1979	0.76	100%	—
1978	0.54	—	—
1977	0.41	—	—
1976	0.325	—	—

+ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 191,335,000	$9.60
1979	164,769,000	8.35
1978	134,798,000	6.87
1977	111,823,000	5.72
1976	96,723,000	4.96

‡ Based on the average number of common shares outstanding adjusted to reflect stock dividend.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 401,799,000	$ 373,602,000
Cost of sales	196,996,000	180,563,000
Expenses	131,962,000	113,696,000
Oper. profit	$ 72,841,000	$ 79,343,000
Other income	(497,000)	(586,000)
Interest expenses	4,900,000	3,406,000
Income before taxes	$ 68,438,000	$ 76,523,000
Income taxes	30,116,000	33,920,000
Net Income	$ 38,322,000	$ 42,603,000

* Included in Costs and Expenses, Depreciation and Amortization: $9,535,000 in 1980 and $7,409,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 5,403,000	$ 2,120,000
Accts. receiv., net	107,225,000	102,196,000
* Inventories	112,306,000	102,210,000
Prepaid expenses	9,681,000	8,281,000
Current Assets	$ 234,615,000	$ 214,807,000
# Fixed assets	77,814,000	61,906,000
Other assets	190,000	167,000
Total Assets	$ 312,619,000	$ 276,880,000

Liabilities

Notes payable	$ 8,105,000	$ 5,290,000
Long-term debt, curr.	2,393,000	389,000
Accts. payable	17,962,000	19,283,000
Accruals	30,879,000	29,810,000
Income taxes	7,552,000	9,235,000
Deposits	20,592,000	19,257,000
Curr. Liabilities	$ 87,483,000	$ 83,264,000
Long-term debt	29,908,000	25,857,000
Deferred income taxes	3,893,000	2,990,000
+ Common stock	20,117,000	19,811,000
Add. paid-in capital	6,592,000	2,112,000
Retained earnings	164,626,000	142,846,000
Total Liabilities & Shareholders' Equity	$ 312,619,000	$ 276,880,000

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	17.03	20.48
%Net Income to Sales	9.54	11.40
%Net Income to Equity	20.03	25.86
Sales to Inventories	3.58	3.66
Working Capital	$ 147,132,000	$ 131,543,000
Current Ratio	2.68	2.58
Shareholders' Equity	$ 191,335,000	$ 164,769,000

Solid Controls, Inc.

6925 Washington Avenue, South
Minneapolis, Minnesota 55435
(612) 941-6110

Officers: Ronald A. Kokesh, president; Edward A. Cashin, executive vice president; John L. Rodgers, Jr., v.p.-engineering; Thomas R. Kelly, treasurer; A. Larry Katz, secretary.

Directors: Ronald A. Kokesh, Edward A. Cashin, A. Larry Katz, Thomas R. Kelly.

Areas of Work: Designs and manufactures a widely diversified line of solid state controls for the industrial machine industry.

Transfer Agent(s):

Marquette National Bank of Minneapolis
Minneapolis, Minnesota

Stock Exchange(s): Over-the-Counter

Number of Employees:

1979	90	1975	29
1977	90	1974	76
1976	60		

Plant Footage:

1979	29,000 sq. ft.	1975	23,000
1977	29,000	1974	23,000
1976	23,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 4,443,352	$ 251,828
1979	5,128,152	442,245
1978	4,832,733	444,900
1977	3,717,685	310,699
1976	1,380,186	(30,208)

	No. of Com. Shares †	Earn. per Share ×
1980	592,902	$0.42
1979	592,902	0.75
1978	592,902	0.75
1977	592,902	0.53
1976	592,902	—

(Loss)
† Adjusted to reflect stock split.
× Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.19	—	2-for-1
1979	0.15	—	—
1978	0.15	—	—
1977	0.15	—	—
1976	0.15	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,781,473	$3.00
1979	1,700,814	2.87
1978	1,356,503	2.29
1977	1,000,537	1.69
1976	735,698	1.24

Income Account *

Year ended March 31	1980	1979
Net sales	$ 4,443,352	$ 5,128,152
Cost of sales	2,639,915	2,836,575
Expenses	1,409,961	1,486,281
Other income	(51,352)	(27,576)
Income before taxes	$ 444,828	$ 832,872
Income taxes	193,000	390,627
Net Income	$ 251,828	$ 442,245

* Included in Costs and Expenses, Depreciation: $49,010 in 1980 and $47,331 in 1979.

Assets

As of March 31	1980	1979
Cash	$ 435,667	$ 408,156
Accts. receiv., net	866,612	996,275
Investment	5,074	57,280
* Inventories	563,628	415,713
Prepaid expenses	8,886	14,781
Current Assets	$ 1,879,867	$ 1,892,205
Marketable securities	149,175	194,800
# Fixed assets	184,305	199,083
Investment	17,633	17,664
Total Assets	$ 2,230,980	$ 2,303,752

Liabilities

	1980	1979
Accts. payable	$ 154,817	$ 200,338
Profit sharing	40,000	76,225
Income taxes	8,498	69,352
Accruals	234,455	236,640
Curr. Liabilities	$ 437,770	$ 582,555
Deferred inc. taxes	11,737	20,383
+ Common stock	29,645	29,645
Add. paid-in capital	448,763	448,763
Unrealized loss on noncurr. marketable securities	(81,000)	(21,000)
Retained earnings	1,384,065	1,243,406
Total Liabilities & Shareholders' Equity	$ 2,230,980	$ 2,303,752

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.05 par value.

Statistical Summary

	1980	1979
% Income bef. Taxes to Sales	10.01	16.24
% Net Income to Sales	5.67	8.62
% Net Income to Equity	14.14	26.00
Sales to Inventories	7.88	12.34
Working Capital	$ 1,442,097	$ 1,309,650
Current Ratio	4.29	3.25
Shareholders' Equity	$ 1,781,473	$ 1,700,814

Solid State Scientific Inc.

Montgomeryville, Pennsylvania 18936
(215) 855-8400

Officers: Henry I. Boreen, chairman, president, and chief executive officer; Arthur S. Keyser, secretary; James J. Lysek, v.p. treasurer; John E. Schaefer, v.p.-manufacturing.

Directors: Henry I. Boreen, chairman; David Hafler, Arthur S. Keyser, Albert Keck,Ulrich Wohr.

Areas of Work: Operates predominantly in the electronic components industry and is primarily engaged in developing, manufacturing and marketing semiconductor devices, including complimentary metal oxide semiconductors, IC's for the digital watch market and custom circuits.

Subsidiary:

Solid State Scientific Hi-Rel, Inc.
Montgomeryville, Pennsylvania 18936

Produces and sells semiconductor products primarily for government applications.

Transfer Agent(s):

Philadelphia National Bank
Philadelphia, Pennsylvania

Stock Exchange(s): American

Ticker Symbol: SSI

Number of Employees:

1980 . . . . . . 750 1979 750

Plant Footage:

1980 . . . . . . 303,000 sq. ft. 1979 78,900

Sales and Earnings

	Revenues	Net Income #
1980	$ 33,590,545	$ 2,367,503
1979	32,434,715	2,981,440
1978	27,090,025	1,046,869
1977	21,121,753	(3,736,387)
1976	24,051,169	2,378,831

	No. of Com. Shares ‡	Earn. per Share # ‡
1980	2,479,870	$1.06
1979	2,349,185	1.38
1978	2,140,585	0.57
1977	1,614,972	—
1976	1,524,993	1.56

(Loss)
Including extraordinary gains $872,000 ($0.40 per share) in 1980, $635,000 ($0.32 per share) in 1979, $121,000 ($0.08 per share) in 1978, $468,000 ($0.31 per share) in 1976.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 14,030,533	$5.66
1979	11,303,060	4.81
1978	7,355,378	3.44
1977	6,301,397	3.90
1976	8,055,279	5.28

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 33,267,226	$ 32,289,031
Other income	323,319	145,684
Total income	$ 33,590,545	$ 32,434,715
Cost of sales	22,157,662	20,235,191
Expenses	7,742,738	7,819,234
Prov. for loss on discont. products	—	529,000
Interest expense	828,240	807,850
Loss on sale of prod. line	404,402	—
Income bef. taxes	$ 2,457,503	$ 3,043,440
Income taxes	962,000	697,000
Net Income	$ 1,495,503	$ 2,346,440
Extraord. gain	872,000	635,000
Net Income & extraord. gain	$ 2,367,503	$ 2,981,440

* Included in Costs and Expenses, Depreciation and Amortization: $2,160,044 in 1980 and $1,641,829 in 1979.

Assets

As of Dec. 31	1980	1979
Cash & short-term investments	$ 1,529,075	$ 2,119,528
Invest.-comm. stock	1,735,010	—
Accts. receiv., net	5,610,668	4,932,641
* Inventories	6,592,369	6,371,925
Assets of discont. prod. line	—	68,872
Other assets	113,341	167,051
Current Assets	$ 15,580,463	$ 13,660,017
# Fixed assets	19,619,656	8,894,197
Other assets & defer. charges	399,028	256,186
Intangibles	—	293,035
Total Assets	$ 35,599,147	$ 23,103,435

Liabilities

	1980	1979
Long-term debt, curr.	$ 1,080,522	$ 374,096
Accts.payable	2,901,065	2,073,707
Trade accept. pay.	500,000	500,000
Accruals	1,341,213	1,367,469
Income taxes	178,375	175,816
Curr. Liabilities	$ 6,001,175	$ 4,491,088
Long-term debt	11,661,639	3,403,487
7½ subord. convert. debent.	3,471,800	3,471,800
Deferred income	434,000	434,000
+ Common stock	822,642	799,855
Add. paid-in capital	13,027,577	12,690,369
Retained earnings (deficit)	333,393	(2,034,110)
Treasury stock	(153,079)	(153,054)
Total Liabilities & Shareholders' Equity	$ 35,599,147	$ 23,103,435

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $0.40 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	7.39	9.43
%Net Income to Sales	4.50	7.27
%Net Income to Equity	10.66	20.76
Sales to Inventories	5.05	5.07
Working Capital	$ 9,579,288	$ 9,168,929
Current Ratio	2.60	3.04
Shareholders' Equity	$ 14,030,533	$ 11,303,060

Solitron Devices, Inc.

1177 Blue Heron Boulevard
Riviera Beach, Florida 33404
(305) 848-4311

Officers: Benjamin Friedman, president, chairman and chief executive officer; Norbert Fuhrmann, secretary and v.p.-international; Joseph Goldman, v.p.-sales and asst. secretary; Donald A. Sampson, Richard J. Trivison, v.p.'s; John J. Staydahar, v.p.-finance and treasurer.

Directors: Benjamin Friedman, chairman; Richard Trivison, Robert W. Hull, Bernard Simmons, Donald A. Sampson, Jeffrey H. Auslander.

Solitron Devices, Inc.

Areas of Work: Designs, develops, produces and sells solid-state electronic components and related electromechanical devices. Among the electronic components produced are rectifiers, diodes, high voltage assemblies, power transistors, small signal transistors, field effect transistors, thick-film hybrid circuits, monolithic integrated circuits, MOS devices MOS/Fet memory arrays, crystal oscillators and timing circuits, shift registers, standard and custom C/MOS circuits, microwave resistors and attenuators, flexible coaxial cable, stripline products. Through its subsidiary, Faratron Corp., produces test instruments including power supplies, digital panel meters, electronic frequency counters, analog voltmeters and ammeters.

Divisions and Subsidiaries:

Solitron Devices
1177 Blue Heron Boulevard
Riviera Beach, Florida 33404
(305) 848-4311

Solitron Devices
8808 Balboa Avenue
San Diego, California 92123
(714) 278-8780

Solitron/Microwave
P.O. Box 278
Port Salerno (Stuart), Florida 33492
(305) 287-5000

Solidev Ltd.
Edison Road
Elms Industrial Estate
Bedford, Beds, England

Solidev (HK) Ltd.
2nd Floor Units C. D.
33 Tseuk Luk Street
San Po Kong
Kowloon, Hong Kong

Solider Mexicana, S.A.
Centro Barranquita
Blvd. Aqua
Caliente 1601-4
Tijuana, Baja California, Mexico

Solidev International Sales Corp.
Solidev Holding, S.A.
Solitron Development Corporation

Telecommunications Division

Electric Vehicle Division

Acquisition(s):

Electro Oxide
Manufactures conductive pastes used in film circuits.

Transfer Agent(s):

American Transfer Company
New York, New York

Stock Exchange(s): American, Pacific

Ticker Symbol: SOD

Number of Employees:

1978	1,075	1976	1,100
1977	1,000		

Plant Footage:

1978	319,000 sq. ft.	1976	295,000
1977	295,000		

Sales and Earnings

	Net Sales	Net Income #
1981	$ 38,273,000	$ 3,004,000
1980	30,841,000	3,763,000
1979	26,252,000	3,331,000
1978	24,224,000	1,410,000
1977	22,938,000	1,557,000

	No. of Com. Shares	Earn. per Share + #
1981	4,741,906	$0.63
1980	4,748,156	0.79
1979	4,757,256	0.70
1978	4,651,845	0.30
1977	4,651,845	0.33

Including extraordinary credits of $118,000 ($0.02 per share) in 1981, $1,711,000 ($0.36 per share) in 1980, $1,573,000 ($0.33 per share) in 1979, $1,089,000 ($0.23 per share) in 1978, $772,000 ($0.17 per share) in 1977.

+ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 25,893,000	$5.46
1980	23,011,000	4.85
1979	19,308,000	4.06
1978	15,608,000	3.36
1977	14,198,000	3.05

Income Account *

Year ended	2/28/81	2/29/80
Net Sales	$ 38,273,000	$ 30,841,000
Cost of sales	25,404,000	20,813,000
Expenses	8,944,000	6,610,000
Depreciation & amortization	1,239,000	1,016,000
Oper. Income	$ 3,925,000	$ 3,418,000
Other income	633,000	421,000
Gain on sale	398,000	224,000
Total	$ 4,956,000	$ 4,063,000
Interest expenses	133,000	209,000
Income bef. taxes	$ 4,823,000	$ 3,854,000
Charge in lieu of inc. taxes	1,937,000	1,802,000
Net Income	$ 2,886,000	$ 2,052,000
Extraord. credit	118,000	1,711,000
Net Income & extraord. credit	$ 3,004,000	$ 3,763,000

Assets

As of	2/28/81	2/29/80
Cash	$ 2,002,000	$ 2,029,000
Marketable securities	838,000	730,000
Accts. & notes receiv., net	8,740,000	6,142,000
* Inventories	12,812,000	10,697,000
Prepaid expenses	170,000	139,000
Current Assets	$ 24,562,000	$ 19,737,000
Investments in real estate	1,110,000	1,110,000
# Fixed assets	8,289,000	6,925,000
Other assets	587,000	450,000
Total Assets	$ 34,548,000	$ 28,222,000

Liabilities

Long-term notes, curr.	$ 618,000	$ 385,000
Convert. debent.	1,698,000	570,000
Accrued expenses	1,374,000	1,092,000
Income taxes	1,531,000	91,000
Curr. Liabilities	$ 5,221,000	$ 3,696,000
Long-term notes	2,666,000	1,515,000
Deferred income	583,000	—
Deferred income taxes	185,000	—
+ Common stock	6,122,000	6,122,000
Add. paid-in capital	30,541,000	30,662,000
Deficit	(2,370,000)	(5,374,000)
Treasury stock	(8,400,000)	(8,399,000)
Total Liabilities & Shareholders' Equity	$ 34,548,000	$ 28,222,000

* At lower of cost or market.

Less accumulated depreciation and amortization.

+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sale	12.60	12.50
%Net Income to Sales	7.54	6.65
%Net Income to Equity	11.15	8.92
Sales to Inventories	2.99	2.88
Working Capital	$ 19,341,000	$ 16,041,000
Current Ratio	4.70	5.34
Shareholders' Equity	$ 25,893,000	$ 23,011,000

Sonar Radio Corporation

3000 Stirling Road
Hollywood, Florida 33021
(305) 981-8800

Officers: Bernard Klein, president & chairman of the board; Daniel Klein, v.p., secretary, & treasurer; Leon Popiel, v.p.-mfg.

Directors: Bernard Klein, chairman; Daniel Klein.

Areas of Work: Markets marine radio telephones, depth indicators and a direction finder for pleasure boating; transceivers and monitor receivers for police, fire, commercial and non-commercial applications; two-way commercial portable, mobile and base radio telephones; and VHF-FM radio paging communications systems.

Transfer Agent(s):

Continental Stock Transfer & Trust Company
19 Rector Street
New York, New York 10006

Stock Exchange(s): Over-the-Counter

Number of Employees:

1979	63	1976	185
1978	85	1975	120
1977	140		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 2,147,371	$ (14,717)
1979	2,563,435	59,780
1978	2,379,991	(491,919)
1977	3,593,345	(70,129)
1976	4,145,184	(90,906)

	No. of Com. Shares	Earn. per Share # ‡
1980	360,143	$ —
1979	417,157	0.14
1978	417,157	—
1977	417,157	—
1976	418,162	—

(Loss)

‡ Including extraordinary credit of $15,800 ($0.04 per share) in 1979.

Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,374,202	$3.82
1979	1,500,309	3.60
1978	1,440,529	3.45
1977	1,932,448	4.63
1976	2,004,965	4.79

Income Account *

Year ended June 30	1980	1979
Net sales	$ 2,147,371	$ 2,563,435
Other income	8,222	13,402
Total Income	$ 2,155,593	$ 1,576,837
Cost of sales	1,241,798	1,590,212
Expenses	855,576	850,016
Interest expense	72,936	76,829
Income (loss) before taxes	$ (14,717)	$ 59,780
Income taxes	—	15,800

Net Income (Loss)	$ (14,717)	$ 43,980
Extraord. credit	—	15,800
Net Income (Loss) & Extraord. Credit	$ (14,717)	$ 59,780

* Included in Costs and Expenses, Depreciation and Amortization: $65,485 in 1980 and $65,060 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 25,636	$ 62,396
Marketable securities	201	80
Accts. receiv., net	279,113	418,098
Refundable taxes	—	3,198
* Inventories	1,090,252	947,199
Prepaid expenses	16,629	15,899
Current Assets	$ 1,411,831	$ 1,446,870
# Fixed assets	904,238	944,472
Other assets	23,009	30,401
Total Assets	$ 2,339,078	$ 2,421,743

Liabilities

Notes payable	$ 137,613	$ 90,000
Oblig. under cap. leases-curr. portion	2,487	2,279
Accts. payable	164,758	146,440
Accruals	54,598	66,994
Other liabilities	23,492	25,211
Curr. Liabilities	$ 382,948	$ 330,924
Long-term debt	563,943	576,801
Notes payable	6,763	—
Oblig. under cap. leases-non-current portion	11,222	13,709
+ Common stock	44,341	44,341
Add. paid-in capital	1,039,882	1,039,882
Retained earnings	469,267	483,984
Treasury stock	(179,288)	(67,898)
Total Liabilities & Shareholders' Equity	$ 2,339,078	$ 2,421,743

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

% Income bef. Taxes to Sales	—	2.33
% Net Income to Sales	—	2.33
% Net Income to Equity	—	2.93
Sales to Inventories	1.97	2.71
Working Capital	$ 1,028,883	$ 1,115,546
Current Ratio	3.69	4.37
Shareholders' Equity	$ 1,374,202	$ 1,500,309

Soundesign Corporation

34 Exchange Place
Jersey City, New Jersey 07302
((201) 434-1050

Officers: Saul E. Ashkenazi, chairman of the board; Ely E. Ashkenazi, president; Morris I. Franco, executive v.p.; Samuel Laniado, Robert H. Winer, Harry I. Franco, senior vice presidents; Chabetaye Chraime, senior vice president-treasurer; Thomas R. Greene, vice president-adm.; Albert A. Ades, vice president-sales; Bernard Weinstein, vice president & comptroller; Leslie Nanasi, v.p.; Howard L. Klein, secretary; Morris Ashear, assistant secretary; Jeraldine Jacobs, asst. comptroller.

Directors: Saul E. Ashkenazi, chairman; Ely E. Ashkenazi, Harry I. Franco, Morris I. Franco, Chabetaye Chraime, Samuel Laniado, Robert H. Winer, Samuel Gindi, Julian Hoffman, Abraham Cohen.

Areas of Work: Engaged in the design, production, importation and distribution of consumer electronic products. Products include component stereo systems, stereo consoles, portable, table and clock radios, cassette tape recorders, and other related products.

Divisions:

Soundesign Eastern
34 Exchange Place
Jersey City, New Jersey 07302

Soundesign Western
13111 Temple Avenue
City of Industry, California 91746

Domestic Subsidiaries:

Soundesign Indiana Corporation
Highway No. 1622
Santa Claus, Indiana 47579

Apex Manufacturing Company, Inc.
107 Trumbull Street
Elizabeth, New Jersey 07206

Soundesign Export Corporation
34 Exchange Place
Jersey City, New Jersey 07302

Foreign Subsidiaries:

Soundesign Corp. (Hong Kong) Ltd.
Kowloon Centre, 2nd Floor
29-43 Ashley Road
Kowloon, Hong Kong

Soundesign Corp. (Japan) Ltd.
9-14-2 Chome
Nihonbashi, Chuo-Ku
Tokyo, Japan

Transfer Agent(s):

Manufacturers Hanover Trust Co.
4 New York Plaza
New York, New York 10015

Registrar & Transfer Co.
10 Commerce Drive
Cranford, New Jersey 07016

Stock Exchange(s): American

Ticker Symbol: SON

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 138,242,000	$ 922,000
1979	161,789,000	741,000
1978	143,380,000	1,002,000
1977	154,703,000	8,756,000
1976	132,847,000	8,249,000

	No. of Com. Shares #	Earn. per Share # ‡
1980	2,283,000	$0.40
1979	2,450,000	0.30
1978	2,635,000	0.38
1977	3,091,000	2.83
1976	3,305,000	2.50

‡ Including extraordinary gain of $118,000 ($0.05 per share) in 1979.
# Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenue By Line of Business

	1980 (000's)	%	1979 (000's)	%
Stero Systems	$ 67,300	49	$ 75,000	46
Consoles	23,400	17	33,300	21
Hi-Fi stero syst.	18,300	13	20,000	12
Radio & cassette recorders	29,200	21	33,500	21
Total	$138,200	100%	$161,800	100%

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.25	—	—
1979	0.40	—	—
1978	0.40	—	—
1977	0.40	—	—
1976	0.30	—	3-for-2

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 31,551,000	$13.82
1979	32,108,000	13.11
1978	33,729,000	12.80
1977	35,632,000	11.53
1976	35,769,000	10.82

‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 138,242	$ 161,789
Cost of sales	108,555	128,366
Expenses	21,921	25,471
Interest expense	6,265	6,717
Income before taxes	$ 1,501	$ 1,235
Income taxes	709	612
Cum. effect of acctng. change	(130)	—
Net Income	$ 922	$ 623
Extraord. gain	—	118
Net Income & extraord. gain	$ 922	$ 741

* Included in Costs and Expenses, Depreciation and Amortization: $1,084,000 in 1980 and $1,204,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 4,241	$ 11,657
Receiv., net	22,072	22,171
* Inventories	38,847	44,943
Other assets	2,385	1,431
Refundable inc. taxes	148	1,066
Current Assets	$ 67,693	$ 81,268
# Fixed assets	9,275	9,813
Total Assets	$ 76,968	$ 91,081

Liabilities
(000's)

Notes payable	$ 19,640	$ 34,457
Accts. payable	5,451	4,767
Accruals	4,196	5,649
Dividends payable	113	237
Income taxes	1,236	950
Curr. Liabilities	$ 30,636	$ 46,060
Long-term debt	13,095	11,043
Deferred inc. taxes	1,686	1,870
+ Common stock	3,674	3,674
Add. paid-in capital	11,691	11,691
Retained earnings	31,388	31,033
Treasury stock	(15,202)	(14,290)
Total Liabilities & Shareholders' Equity	$ 76,968	$ 91,081

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

% Income bef. Taxes to Sales	1.09	0.76
% Net Income to Sales	0.67	0.39
% Net Income to Equity	2.92	1.94
Sales to Inventories	3.56	3.60
Working Capital	$ 37,057,000	$ 35,208,000
Current Ratio	2.21	1.76
Shareholders' Equity	$ 31,551,000	$ 32,108,000

Spang Industries, Inc.

Box 751
Butler, Pennsylvania 16001
(412) 287-8781

Officers: Frank E. Rath, chairman of the board: Robert A. Rath, president; Robert W. Olmsted, exec.v.p.; William T. Marsh, Frank E. Rath, Jr., v.p.'s; Charles R. Dorsch, secretary-treasurer.

Directors: Frank E. Rath, Robert A. Rath, Frank E. Rath, Jr.

Areas of Work: Operates in three principal industries: electronic components (including specialty electronic alloys, electromagnetic devices, transformers, and industrial control systems), steel fabrication (bridges and major industrial and commercial buildings), and sheet metal and plastic toys and games.

Divisions and Subsidiaries:

Magnetics
Butler, Pennsylvania 16001
(412) 285-4711

Wolverine Toy Company
Booneville, Arkanas 72927
(601) 675-2000
Manufactures and sells toys.

Fort Pitt Bridge Division
Canonsburg, Pennsylvania 15317
(412) 281-0654

Transfer Agent(s):

Pittsburgh National Bank
Pittsburgh, Pennsylvania

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SPNG (NASDAQ)

Sales and Earnings

	Operating Revenues	Net Income
1981	$ 83,307,219	$ 4,465,548
1980	71,158,556	4,702,207
1979	61,173,445	3,717,965
1978	52,176,322	2,037,046
1977	51,112,778	3,166,952

	No. of Com. Shares	Earn. per Share
1981	2,397,667	$1.86
1980	2,397,667	1.96
1979	2,397,667	1.55
1978	2,397,667	0.85
1977	2,397,667	1.32

Revenues By Line of Business

	1981	1980
Electronic components	$ 39,877,000	$ 39,428,000
Steel fabrication	29,937,000	18,415,000
Toys & games	13,493,000	13,316,000
Total	$ 83,307,000	$ 71,159,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$0.30	—	—
1980	0.27	—	—
1979	0.22	—	—
1978	0.22	—	—
1977	0.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 37,266,250	$15.54
1980	33,520,009	13.98
1979	29,465,172	12.29
1978	26,274,694	10.96
1977	24,775,135	10.33

Income Account

Year ended Jan. 31	1981	1980
Oper. revenues	$ 83,307,219	$ 71,158,556
Cost of sales & contracts	62,723,439	51,774,056
Expenses	10,306,811	8,417,999
Depreciation	2,117,729	2,044,443
Interest income	(656,308)	(319,149)
Income before taxes	$ 8,815,548	$ 9,241,207
Income taxes	4,350,000	4,539,000
Net Income	$ 4,465,548	$ 4,702,207

Assets

As of Jan. 31	1981	1980
Cash	$ 1,007,617	$ 1,060,958
Marketable securities	14,800,427	5,334,418
Short-term investments	909,422	1,820,373
Accts. receiv. net	14,620,308	14,135,348
* Inventories & contracts	7,291,548	14,312,784
Prepaid expenses	264,255	391,365
Current Assets	$ 38,893,577	$ 37,055,246
# Fixed assets	12,717,586	11,681,613
Total Assets	$ 51,611,163	$ 48,736,859

Liabilities

Cap. lease oblig. curr.	$ 600,000	$ 600,000
Accts. payable & accruals	5,146,436	8,681,165
Income taxes	1,184,983	418,485
Deferred inc. taxes	864,000	494,000
Curr. Liabilities	$ 7,795,419	$ 10,193,650
Cap. lease oblig.	5,635,294	4,190,000
Deferred inc. taxes	914,200	833,200
+ Common stock	2,403,780	2,403,780
Add. paid-in capital	1,093,083	1,093,083
Retained earnings	33,854,116	30,107,875
Treasury stock	(84,729)	(84,729)
Total Liabilities & Shareholders' Equity	$ 51,611,163	$ 48,736,859

* At (LIFO) cost.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	10.58	12.99
%Net Income to Revenues	5.36	6.61
%Net Income to Equity	11.98	14.03
Working Capital	$ 31,098,158	$ 26,861,596
Current Ratio	4.99	3.64
Shareholders' Equity	$ 37,266,250	$ 33,520,009

Sparton Corporation

2400 East Ganson Street
Jackson, Michigan 49202
(517) 787-8600

Officers: John J. Smith, chairman of the board & chief executive officer; David W. Hockenbrocht, president & chief operating officer; Blair H. Thompson, vice president, treasurer & asst. secretary; Richard D. Mico, v.p. & gen. mgr.-Sparton Southwest, Inc.; Lawson K. Smith, v.p. & secretary; William E. Becktell, v.p. & gen. mgr.-Sparton Manufacturing; Richard C. French, v.p. & gen. mgr.-Lake Odessa Machine Products, Inc.; M.C. Muehmel, v.p. & gen. mgr.-Allied Steel & Conveyors Div.; Richard H. Nichols, asst. secretary & asst. treasurer; A.G.B. Judd, pres. & gen. mgr.-Sparton of Canada, Ltd.; Deloy G. Monroe, v.p. & staff consultant-Sparton Electronics Div.; H. Dean Raish, v.p.-exploration, Michigan Oil Company.

Directors: Marshall V. Noecker, John J. Smith, Waldo I. Stoddard, L.K. Smith, J.N. DeBoer, Blair H. Thompson, David W. Hockenbrocht, Robert J. Kirk, Ned A. Kilmer.

Divisions and Subsidiaries:

Sparton Electronics Division
2400 East Ganson Street
Jackson, Michian 49202
(517) 787-8600
High reliability electronic, electro-mechanical and mechanical equipment for the U.S. Military, particularly in oceanography, communications and navigation, under-water ordnance and anti-submarine warfare.

Sparton Manufacturing Company
P.O. Box 399
Flora, Illinois 62839
(618) 662-2101
Automobile, truck, marine, ordinance and industrial horns, truck and ordnance directional signals, automotive and marine safety accessories; and automotive stampings.

Sparton of Canada, Ltd.
100 Elm Street
London, Ontario, Canada
(519) 455-6320
Military electronic equipment for the Canadian government.

Sparton Electronics Florida, Inc.
Johnson Lake Road
Box 788
DeLeon Springs, Florida 32028
(904) 985-4631

Sparton Colorado, Inc.
2897 North Avenue
Box 2105
Grand Junction, Colorado 81501
(303) 243-6000

Sparton Indiana, Inc.
301 East Bridge Street
Brownstown, Indiana 47220
(812) 358-3664

Allied Steel & Conveyors Division
17333 Healy Avenue
Detroit, Michigan 48212
(313) 892-3040
Highly engineered power conveyor equipment, automatic tire mounting machines and automated materials handling equipment primarily for the automotive industry.

Sparton Southwest, Inc.
9621 Coors Road, N.W.
Albuquerque, New Mexico 87103
(505) 898-1150
High reliability sub-assemblies for detection satellites; precision electro-mechanial components for weapon arming, fuzing and control; programmed automatic test equipment; transducers and related instruments for guidance, control and telemetry of guided missiles and piloted aircraft. Products for the commercial/industrial markets include telecommunications pressure sensors, electrical conversion kits adaptable to mechanical charts drive recorders currently used by the oil industry, pressure switches, velocity gauges and pressure tranducers.

Lake Odessa Machine Products
1201 North 4th Avenue
Lake Odessa, Michigan 48849
(616) 374-8863
Manufacturer of automotive parts and accessories consisting primarily of small and medium chasis underbody and innerbody stampings and wire accessories.

Michigan Oil Company
P.O. Box 1328
Jackson, Michigan 49204
(517) 788-9770
Exploration and production of oil and gas in the Michigan Basin.

Central Michigan Aviation
Box 15
Alma, Michigan 48801
(517) 463-1338

Transfer Agent(s):

Union Commerce Bank
Cleveland, Ohio

Stock Exchange(s): New York

Ticker Symbol: SPA

Number of Employees:

1980	2,400	1977	2,200
1979	2,400	1976	2,025
1978	2,200		

Plant Footage:

1980	1,104,068 sq. ft.	1977	1,035,360
1979	1,104,068	1976	965,000
1978	1,000,000		

Sales and Earnings ‡

	Net Sales	Net Income #
1980	$ 96,510,146	$ 2,298,520
1979	81,583,709	5,129,733
1978	77,156,869	1,648,381
1977	65,561,252	3,251,748
1976	61,136,631	3,019,766

	No. of Com. Share	Earn. per Share + #
1980	1,708,847	$1.35
1979	1,696,872	3.04
1978	1,679,797	0.98
1977	1,691,922	1.87
1976	1,809,672	1.66

‡ Restated to reflect change in income tax allocation related to capitalized intangible costs.

+ Based on the weighted average number of shares outstanding.

# Including extraordinary gains of $200,000 ($0.12 per share) in 1979 and $56,000 ($0.03 per share) in 1978.

Revenues By Line of Business

	1980	1979
Defense electronic products	$ 60,919,626	$ 47,381,109
Auto parts & marine accessories	23,527,627	23,851,993
Conveyors	12,062,893	10,350,607
Oil & gas	4,438,256	2,015,747
Total	$ 100,948,402	$ 83,599,456

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.85	—	—
1979	0.65	—	—
1978	0.51	—	—
1977	0.42	—	—
1976	0.30	—	—

Common Stock Equity ‡

	Total Equity	Equity Per Share
1980	$ 32,021,261	$18.74
1979	31,100,775	18.33
1978	26,980,443	16.06

‡ Restated to reflect change in income tax allocation.

Income Account *

Year ended June 30	1980	1979 ‡
Manufacturing:		
Net sales	$ 96,510,146	$ 81,583,709
Cost of sales	82,052,654	62,635,207
Expenses	9,480,965	8,680,027
Oper. income	$ 4,976,527	$ 10,268,475
Oil & Gas:		
Revenues	4,438,256	2,015,747
Costs & Exp.	4,341,037	3,210,058
Oper. profit (loss)	97,219	(1,194,311)
Interest expense	1,783,552	526,127
Other income	(3,326)	(320,696)
Income before taxes	$ 3,293,520	$ 8,868,733
Income taxes	995,000	3,939,000
Net Income	$ 2,298,520	$ 4,929,733
Extraord. gain	—	200,000
Net Income & extraord. gain	$ 2,298,520	$ 5,129,733

* Included in Costs and Expenses, Depreciation and Depletion: $1,690,225 in 1980 and $1,580,851 in 1979.

‡ Restated to reflect change in income tax allocation.

Assets

As of June 30	1980	1979†
Cash	$ 2,433,979	$ 2,410,125
Accts. receiv., net	11,388,666	13,718,245
Refund. inc. taxes	2,632,000	—
* Inventories	24,790,189	22,920,801
Prepaid expenses	465,153	524,405
Current Assets	$ 41,709,987	$ 39,573,576
# Fixed assets	8,925,976	8,195,064
‡ Oil and gas prop.	6,501,718	4,559,054
Other assets	345,156	242,078
Total Assets	$ 57,482,837	$ 52,569,772

Liabilities

Notes payable	$ 11,445,000	$ 5,698,400
Accts. payable	8,049,382	8,076,374
Accruals	2,294,735	1,938,631
Salaries and wages	1,394,213	1,245,021
Dividends declared	427,181	339,374
Income taxes	152,675	2,863,197
Curr. Liabilities	$ 23,763,186	$ 20,160,997
Deferred compensation	1,263,390	1,109,000
Deferred inc. taxes	435,000	199,000
+ Common stock	2,136,059	2,121,090
Capital in excess of par value	1,597,004	1,538,873
Retained earnings	28,288,198	27,440,812
Total Liabilities & Shareholders' Equity	$ 57,482,837	$ 52,569,772

† Restated to reflect change in income tax allocation.

* At lower of cost (FIFO) or market.

# Less accumulated depreciation.

‡ Less accumulated depreciation and depletion.

+ $1.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.41	10.87
%Net Income to Sales	2.38	6.04
%Net Income to Equity	7.18	15.85
Working Capital	$ 17,946,801	$ 19,412,579
Current Ratio	1.76	1.96
Shareholders' Equity	$ 32,021,261	$ 31,100,775

Spectra-Physics, Inc.

3333 North First Street
San Jose, California 95134
(408) 946-6080

Officers: Herbert M. Dwight, Jr., chairman & president; Samuel D. Colella, exec. v.p.-industrial group; Jack M. Gill, exec. vp.-instrument group; George H. Von Gehr, Jr., sr. v.p.-finance & administration; Theodore L. Teach, v.p. & div. mgr.; Kenneth A. Ruddock, v.p.-engineering, laser instrument div.; Klaus F. Derge, v.p.-int'l; Robert J. Gallagher, v.p. & corp. controller; Michael R. Gaulke, treasurer; William L. Overell, controller; John J. Poggi, Jr., corporate counsel & secretary.

Directors: Herbert M. Dwight, Jr., chairman; William E. Ayer, Everett A. Cooper, John G. Linvill, John M. Lillie, Kenneth A. Ruddock, Thomas J. Perkins.

Areas of Work: Engaged in the development, manufacture and sale of gas lasers, laser and optical accessories, ranging and construction alignment equipment, and electronic instrumentation for analytical instruments.

Divisions:

Laser Instruments Division
Manufactures gas and dye lasers and instruments

Laser Analytics Division
Produces laser source spectrometers.

Autolab Division
Manufactures chromatography instruments.

Construction Systems Division
Engaged in the manufacture of laser instruments for engineering and construction alignment.

Laserplane Division
Manufactures guidance and control systems for earthmoving equipment.

Component Laser Division
Designs and produces gas lasers and electronic label reading devices.

Subsidiaries:

Spectra-Physics, Ltd.
17 Brick Knoll Park
St. Albans A1 1 5UF
Herts, England

Spectra-Physics, B.V.
Kanaaldijk Noord 61
5642 J.A. Eindhoven
Eindhoven, The Netherlands

Spectra-Physics, A.G.
Kluserstrasse 25
4054 Basel
Switzerland

Spectra-Physics, GmbH
Siemenstrasse 20
D-6100 Darmstadt-Kranichstein
West Germany

Spectra-Physics, S.A.R.L.
Avenue de Scandinavie
Za de Courtaboeuf
91400 Orsay-Les-Ulis
France

Acquisition(s):

GTE Sylvania Laser Products
Manufactures industrial lasers.

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts 02102

Stock Exchange(s): New York

Ticker Symbol: SPY

Number of Employees:

1980	2,222	1977	1,360
1979	2,098	1976	1,112
1978	1,580		

Plant Footage:

1980	819,000 sq. ft.	1977	317,000
1979	548,000	1976	270,000
1978	419,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 134,576,000	$ 9,414,000
1976	96,033,000	7,737,000
1978	66,094,000	5,512,000
1977	52,546,000	3,905,000
1976	41,193,000	3,319,000

	No. of Com. Shares #	Earn. per Share #
1980	4,510,000	$2.21
1979	4,017,000	1.93
1978	3,804,000	1.45
1977	3,693,000	1.06
1976	3,649,000	0.91

# Based on weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Intruments	$ 58,729	$ 49,759
Industrial laser applications	40,951	30,125
Laser systems & components	34,896	16,149
Total	$ 134,576	$ 96,033

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 56,428,000	$12.51
1979	41,989,000	10.45
1978	31,803,000	8.36
1977	24,987,000	6.77
1976	20,212,000	5.54

‡ Based on weighted average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended Sept. 30	1980	1979
Net sales	$ 134,576	$ 96,033
Cost of sales	69,580	46,935
Expenses:		
Res. & Develop.	9,729	6,378
Marketing	25,724	19,956
Gen. & admin.	10,704	8,090
Interest expense	2,523	1,219
Income before taxes	$ 16,316	$ 13,455
Income taxes	6,902	5,718
Net Income	$ 9,414	$ 7,737

* Included in Costs and Expenses, Depreciation and Amortization: $3,732,000 in 1980 and $2,373,000 in 1979.

Assets
(000's)

As of Sept. 30	1980	1979
Cash	$ 2,395	$ 1,906
Accts. receiv., net	33,143	24,519
Prepaid expenses	1,656	2,168
* Inventories	36,481	27,842
Current Assets	$ 73,675	$ 56,435
# Fixed assets	20,255	11,427
Other assets	4,190	1,627
Intangibles	9,865	8,974
Total Assets	$ 107,985	$ 78,463

Liabilities
(000's)

	1980	1979
Notes payable	$ 5,791	$ 12,118
Accts. payable	6,550	5,978
Accruals	9,962	7,760
Income taxes	2,288	2,802
Long-term debt, curr.	3,606	1,853
Curr. Liabilities	$ 28,197	$ 30,511
Long-term debt	23,360	5,963
+ Common stock	841	791
Add. paid-in capital	18,272	13,297
Retained earnings	37,315	27,901
Total Liabilities & Shareholders' Equity	$ 107,985	$ 78,463

* At lower of standard cost or market after allowance for obsolete, slow-moving and defective goods.
# Less accumulated depreciation.
+ $0.20 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.12	14.01
%Net Income to Sales	7.00	8.06
%Net Income to Equity	16.68	18.43
Sales to Inventories	3.69	3.45
Working Capital	$ 45,478,000	$ 25,924,000
Current Ratio	2.61	1.85
Shareholders' Equity	$ 56,428,000	$ 41,989,000

Sperry Corporation

(formerly Sperry Rand Corporation)

1290 Avenue of the Americas
New York, New York 10104
(212) 956-2121

Officers: J. Paul Lyet, chairman of the board & chief executive officer; Alfred J.Moccia, vice chairman of the board & chief financial officer; Gerald G. Probst, president & chief operating officer; Kenneth F. Thompson, group exec. v.p.; Richard L. Gehring, exec. v.p.; John A. Huston, sr. v.p. & general counsel; Frank D. Sweeten, sr. v.p. organization & personnel; Thomas Beaver, Jr., v.p.-planning; Richard R. Mau, v.p.-corp. & gov't relations; Richard R. Brown, v.p.-finance; Charles H. Schmitter, secretary; John Greifenberger, v.p. & controller; Thomas V. Hirschberg, v.p.-insurance; Abner B. Martin, v.p.-defense & aerospace; H.G. McCarty, v.p.-Sperry New Holland; Carlton B. Crenshaw, treasurer.

Directors: J. Paul Lyet*, chairman; E. Shelton Fisher*, James D. Finley*, H. Myles Jacob*, Kenneth F. Thompson, Gerald G. Probst, Alfred J. Moccia*, Willard S. Boothby, Jr., Norma T. Pace*, Richard R. Shinn, Donald V. Seibert*, Clifton C. Garvin, Jr., William L. Wearly.

*Member of the Executive Committee.

Divisions:

Sperry Division
Great Neck, New York 11020
(516) 574-1111

Guidance and control systems, electronic components, radar, sonar devices, aerospace and marine navigation equipment, technical and business management of complex systems programs, and electro-optics.

Sperry Univac Division
P.O. Box 500
Blue Bell, Pennsylvania 19424
(215) 542-4011

Electronic data processing systems for commercial and defense applications, peripheral equipment and supplies; minicomputers; information service facilities; office equipment. Through its Defense Systems operations, Sperry Univac designs, develops, and produces durable land-based, shipboard and airborne computers for the U.S. government.

Sperry New Holland Division
New Holland, Pennsylvania 17557
(717) 354-1121

Farm machinery and industrial equipment.

Sperry Vickers Division
1401 Crooks Road
P.O. Box 302
Troy, Michigan 48084
(313) 576-3000

Fluid power components and systems for mobile, industrial, aerospace, marine, and ordnance equipment; numerical control systems for industrial eqqipment; industrial electromechanical; clutches and brakes; winches, power take-offs, and gear reducers for mobile, marine, and industrial applications.

Sperry Flight Systems Division
21111 North 19 Avenue
Phoenix, Arizona 85027
(602) 942-2311

Manufacturer of navigation, guidance and control systems and instruments used in miliary aircraft, commercial aviation, general aviation (the civilian non-airline market) and aerospace vehicles.

Foreign Subsidiaries:

Sperry Rand Australia Limited
Dandenong, Victoria, Australia

Sperry Rand Australia Limited
Dandenong, Victoria, Australia

Sperry Rand Ges.m.b.H.
Vienna, Austria

Sperry Rand Argentina, S.A. Commercial
E Industrial
Buenos Aires, Argentina

Sperry Rand (Ireland) Limited
Cobham, Surrey, Ireland

Sperry Rand Asia, Inc.
Tokyo, Japan

Sperry Rand Espanola, S.A.
Barcelona, Spain

Remington Rand Colombiana S.A.
Bogota, Colombia

Sperry Rand Limitada
Lisbon, Portugal

Sperry Rand Singapore (PTE) Limited
Singapore

Sperry Rand South Africa (Proprietary) Limited
Johannesburg, South Africa

Sperry Rand Peruana, S.A.
Lima, Peru

Sperry Rand Denmark
Copenhagen, Denmark

Oy Sperry Rand AB
Helsinki, Finland

Sperry Rand (HK) Ltd.
Hong Kong

Sperry Rand Korea Ltd.
Seoul, Korea

Sperry Rand Mexicana
Mexico City, Mexico

Sperry Rand NZ Ltd.
Auckland, New Zealand

Sperry Rand NORGE A/S
Oslo, Norway

Sperry Rand Venezuela C.A.
Caracas, Venezuela

Trade Industry Sperry Rand Hellas
Athens, Greece

Sperry Rand Belgium
Brussels, Belgium
Zedelgem, Belgium

Sperry Rand do Brasil S.A.
Rio de Janeiro, Brazil

Sperry Rand Canada Limied
Mississauga, Ontario, Canada

Sperry Rand Limited
London, England

Sperry Rand France S.A.
Coubevoie, France

Sperry Rand Gmb.H.
Frankfurt/Main, Germany

Sperry Rand Italia S.p.A.
Milan, Italy.

Vickers Sperry of India Limited
(Associated Company)
Bombay, India

Sperry Rand A/B
Stockholm, Sweden

Sperry Rand A.G.
Zurich, Switzerland

Sperry Rand International Corporation
Liberia

Transfer Agent(s):

Citibank, N.A.
111 Wall Street
New York, New York 10043

Commercial Trust Company of New Jersey
15 Exchange Place
Jersey City, New Jersey 07302

Stock Exchange(s): New York, Amsterdam, Basel, Brussels, Dusseldorf, Frankfurt, Geneva, Lausanne, London, Munich, Paris, Tokyo, Vienna, Zurich.

Ticker Symbol: SY

Number of Employees:

1981	92,476	1978	88,275
1980	90,513	1977	85,684
i979	87,325		

Sales and Earnings

	Net Sales ‡ (000's)	Net Income (000's)
1981	$ 5,427,179	$ 312,998
1980	4,785,425	277,092
1979	4,179,319	224,132
1978	3,649,487	176,619
1977	3,270,008	156,826

	No. of Com. Shares	Earn. per Share #
1981	41,279,217	$7.68
1980	39,867,376	7.60
1979	35,346,189	6.35
1978	34,731,140	5.08
1977	34,714,170	4.51

‡ Includes services revenues.
# Based on average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Computer systems & equip.	$ 2,707,400	$ 2,319,304
Farm equipment	1,086,500	1,038,718
Guidance & central equip.	1,133,500	890,677
Fluid power equip.	532,800	524,785
Other	20,600	42,432

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$1.76	—	—
1980	1.56	—	—
1979	1.32	—	—
1978	1.12	—	—
1977	0.92	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1981	$ 2,336,629	$56.61
1980	2,033,746	51.01
1979	1,630,649	46.13
1978	1,434,259	41.30
1977	1,296,112	37.34

Income Account *
(000's)

Year ended March 31	1980	1979
Net sales	$ 4,239,849	$ 3,717,155
Rentals & services	1,187,329	1,068,270
Other income	64,132	64,573
Total Income	$ 5,491,310	$ 4,849,998
Cost of sales	2,598,944	2,286,615
Cost of rentals & services	666,433	605,634
Expenses	1,451,471	1,269,570
Interest expense	211,639	158,527
Foreign exch. losses (gains)	21,375	22,785
Income before taxes	$ 541,448	$ 506,867
Income taxes	228,450	229,775
Net Income	$ 312,998	$ 277,092

* Included in Costs and Expenses, Depreciation, Amortization and Obsolescence; $180,564,000 in 1981 and $156,527,000 in 1980.

Assets
(000's)

As of March 31	1981	1980
Cash	$ 62,704	$ 89,075
Accts. & notes receiv., net	1,177,757	892,858
*Inventories	1,461,724	1,318,089
Prepaid expenses	106,379	88,867
Curent Assets	$ 2,808,564	$ 2,388,889
Investments	281,629	252,397
Long-term receiv.	1,322,088	987,561
# Fixed assets	785,869	616,385
Other assets	44,371	16,954
Total Assets	$ 5,242,521	$ 4,262,186

Liabilities
(000's)

	1981	1980
Bank & other loans	$ 394,414	$ 305,013
Long-term debt, curr	48,931	21,737
Accts. payable & accruals	914,841	831,325
Dividends payable	18,163	15,552
Income taxes	240,615	229,446
Due to wholly-owned Fin. Co.	—	27,525
Curr. Liabilities	$ 1,616,964	$ 1,430,598
Long-term debt	798,628	407,142
Deferred inc. taxes	490,300	390,700
+ Common stock	20,640	19,934
Add. paid-in capital	488,812	427,923
Retained earnings	1,827,177	1,585,889
Total Liabilities & Shareholders' Equity	$ 5,242,521	$ 4,262,186

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

	1981	1980
%Income bef. Taxes to Sales	12.77	13.64
%Net Income to Sales	7.38	7.45
%Net Income to Equity	13.40	13.62
Sales to Inventories	2.90	2.82
Working Capital	$ 1,191,600	$ 958,291,000
Current Ratio	1.74	1.67
Shareholders' Equity	$2,336,629,000	$2,033,746,000

Spex Industries, Inc.

P.O. Box 798
Metuchen, New Jersey 08840
(201) 549-7144

Officers: Arthur J. Mitteldorf, president & chief exec. officer; Harriet M. Mittledorf, v.p. & secretary; Warren V. Miller, John Sykora, Louis S. Casper, John F. Rendina, v.p.'s; Gerald Maurer, v.p. & treasurer; Irving L. Gartenberg, general counsel.

Directors: Arthur J. Mitteldorf, Harriet M. Mitteldorf, John Sykora, Gerald Maurer, Irving L. Gartenberg.

Areas of Work: Engaged in the design, manufacture and sale of electronic instruments used primarily for chemical analysis, including digital photometers, spectrometric systems, and digital scanners.

Subsidiaries:

Spex Industries, Inc.
3246 McKinley Drive
Santa Clara, California 95051
(408) 246-2333

Spex Industries, GmbH
Iblherstrasse 53
D8000 Munchen 83
West Germany

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SPEX (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1980	$ 7,738,980	$ 748,432
1979	6,665,189	840,455
1978	5,870,558	749,685
1977	5,566,412	642,706
1976	3,812,994	303,171

	No. of Com. Shares	Earn. per Share ‡
1980	1,216,212	$0.62
1979	1,204,612	0.70
1978	1,201,712	0.62
1977	1,201,712	0.53
1976	1,201,712	0.25

‡ Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 7,902,796	$6.56
1979	7,268,181	6.04
1978	6,420,202	5.34
1977	5,670,517	4.72
1976	5,027,811	4.18

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 7,738,980	$ 6,665,189
Cost of sales	4,760,604	3,984,031
Expenses	1,543,028	1,311,467
Interest expense	2,910	3,415
Other charges	19,809	—
Other income	(177,652)	(172,078)
Income before taxes	$ 1,590,281	$ 1,538,354
Income taxes	692,828	636,117
Income-cont. oper.	$ 897,453	$ 902,237
Loss-discont. oper.	(149,021)	(61,782)
Net Income	$ 784,432	$ 840,455

* Included in Costs and Expenses, Depreciation: $122,191 in 1980 and $108,095 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 1,934,899	$ 859,081
Marketable securities	481,461	656,887
Accrued interest	35,550	48,618
Accts. receiv., net	1,102,582	1,329,051
* Inventories	2,377,212	2,304,977
Other assets	54,178	32,098
Prepaid income taxes	158,757	—
Current Assets	$ 6,144,639	$ 5,230,712
Invest. & adv. to unconsol. co.	—	228,022
# Fixed assets	1,206,517	1,170,302
Other assets	1,343,646	1,550,855
Intangibles	677	1,010
Total Assets	$ 8,695,479	$ 8,180,901

Liabilities

	1980	1979
Notes payable	$ 48,500	$ 48,500
Mort. payable, curr.	273,923	314,990
Accts. payable	24,468	22,370
Advances from customers	14,214	39,349
Income taxes	36,033	94,812
Other taxes	26,864	8,168
Other liabilities	310,084	301,467
Curr. Liabilities	$ 734,086	$ 829,656
Mort. payable	58,597	83,064
+ Common stock	121,621	120,461
Add. paid-in capital	970,668	941,092
Retained earnings	6,810,507	6,206,628

Total Liabilities & Shareholders' Equity	$ 8,695,479	$ 8,180,901

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Net Income to Equity	9.47	11.56
Sales to Inventories	3.26	2.89
Working Capital	$ 5,410,553	$ 4,401,056
Current Ratio	8.37	6.30
Shareholders' Equity	$ 7,902,796	$ 7,268,181

Square D Company

Executive Plaza
Pallatine, Illinois 60067
(312) 387-2600

Officers: Mitchell P. Kartalia, chairman and chief executive officer; Paul A. Christenson, president and chief operating officer; Walter R. Clarke, v.p.-marketing and chief marketing officer; Donald E. Wilson, v.p.-finance, secretary and chief financial officer; Hugh Beddoes, v.p.-overseas finance: John N. Daniel, v.p.-group manager; Dexter S. Free, treasurer; Paul R. Goudy, v.p.-engineering; Richard A. Hegeman, v.p.-sales; Sam C. Hunt, v.p.-product development; G.R. Hunter, v.p.-international marketing; R.E. King, Roger A. Sackett, v.p.'s-manufacturing; John F. LaShorne, controller and chief accounting officer; James F. Magin, v.p.-physical distribution; Walter G. Nollenberger, group manager; R.E. Sheridan, v.p.-overseas mfg.; K.R. Stull, v.p.-international sales; J.S. Vaughan, v.p.-manufacturing planning; James M. Vetta, v.p.-personnel relations; Thomas W. Wilbor, v.p.-distributor relations; C.B. Yates, v.p.-electronics group.

Directors: Paul A. Christenson*, Mitchell P. Kartalia*, Gustave H. Moede, Jr., E.F. Mulligan, H. Everton Hosley, Jr., James F. Magin*, James H. Lorie, J.I. Poole*, William C. Messinger*, Donald E. Wilson, Donald C. Clark, W.R. Clarke, John E. Struggles, J.S. Vaughan.

Areas of Work: Engaged in the sale and manufacture of electrical equipment. Products include safety switches, residential circuit breakers, industrial circuit breakers, lighting panelboards, power panelboards, connectors and related hardware, bus duct, wireways, switchboards, power transformers, instruments transformers, weatherproof boxes and wiring devices, wall plates residential chimes, switch gear, electric lifting magnets, electric heating units, electric forced air furnaces and air conditioning, outlet boxes, general purpose motor controls, special purpose motor controls, accessory devices, pressure and vacuum switches, motor control centers, press controls, machine tool controls and system controls. Both electromagnetic and solid state designs are utilized.

Divisions and Subsidiaries:

Ferro Fabricating, Company, Inc.
Birmingham, Alabama 35207

Square D Canada Electric Equipment Inc.
Toronto, Ontario, Canada

Square D Limited
Esher, Surrey, England
Manufacturing plant in Swindon, England.

Square D de Mexico, S.A.
Mexico City, Mexico

Palatine-Ridge Insurance Company Ltd.
Hamilton, Bermuda

Versamex S.A. de C.V.
Mexico City, Mexico

Square D Italia, S.p.A.
Arenzano, Italy

Square D. Company Australia Pty. Ltd.
Melbourne, Australia

Square D. Company Ireland Ltd.
Ballinasloe
County Galway, Ireland

Square D France S.A.
Paris, France

Yates Industries, Inc.
Bordentown, New Jersey
Beaumont, California
Somerville, Massachusetts
Moorestown, New Jersey
Wiltz, Luxembourg
Silloth, England
Zug, Switzerland

General Semiconductor Industries, Inc.
Tempe, Arizona

Square D GmbH
Darmstadt
West Germany

Starkstrom Gummbersbach GmbH
West Germany

Square D Andina, S.A.
Latacunga, Ecuador

Square D Centroamericana, S.A.
San Jose, Costa Rica

Comercial y Fabril Aper, S.A.
Barcelona, Spain

Square D (Singapore) Pte. Ltd.
Singapore

Acquisition(s):

Yates Industries, Inc.
U.S. Highway 130
Bordentown, New Jersey 08505
(609) 298-4800

Manufactures electrodeposited copper foil for use in printed circuit applications, thru-wall flashings and moisture proofing products, and laminated steel stampings.

General Semiconductor Industries, Inc.
2001 West Tenth Place
Tempe, Arizona 85281
(602) 968-3101

Manufactures zener diodes, switching power transistors, and transient voltage suppressors.

Transfer Agent(s):

National Bank of Detroit
611 Woodward Avenue
Detroit, Michigan 48226

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: SQD

Number of Employees:

1980	22,000	1977	18,000
1979	21,200	1976	17,500
1978	19,800		

Plant Footage:

1980	7,752,000 sq. ft.	1978	6,459,000
1979	6,873,000	1977	5,940,000

Sales and Earnings

	Net Sales	Net Income
1980	$ 998,973,000	$ 83,043,000
1979	826,088,000	72,568,000
1978	726,862,000	66,657,000
1977	610,754,000	58,924,000
1976	528,849,000	44,272,000

	No. of Com. Shares	Earn. per Share
1980	25,531,554	$3.41
1979	23,889,494	3.04
1978	23,833,044	2.80
1977	23,830,344	2.47
1976	23,823,244	1.86

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.625	—	—
1979	1.525	—	—
1978	1.425	—	—
1977	1.25	—	—
1976	1.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 408,200,000	$15.99
1979	324,836,000	13.60
1978	287,682,000	12.07
1977	254,929,000	10.07
1976	225,634,000	9.47

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 998,973	$ 826,088
Other income	10,192	8,027
Total Income	$ 1,009,165	$ 834,115
Cost of sales	669,793	554,983
Expenses	168,842	138,167
Interest expenses	15,619	9,989
Income before taxes	$ 154,911	$ 130,976
Income taxes	71,868	58,408
Net Income	$ 83,043	$ 72,568

* Included in Costs and Expenses, Depreciation: $20,649,000 in 1980 and $14,866,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 39,055	$ 27,815
Marketable securities	5,083	24,819
Accts. receiv., net	161,903	122,039
Deferred inc. taxes	10,519	6,603
* Inventories	160,737	158,950
Prepaid expenses	4,317	3,026
Current Assets	$ 381,614	$ 343,252
Investment	7,639	—
# Fixed assets	297,383	203,165
Other assets	13,647	7,593
Intangibles	40,906	10,171
Total Assets	$ 741,189	$ 564,181

Liabilities
(000's)

Notes payable	$ 18,820	$ 14,954
Long-term debt, curr.	10,178	6,657
Accts. payable & accruals	119,380	78,863
Dividends payable	10,851	9,555
Income taxes	23,890	11,065
Curr. Liabilities	$ 183,119	$ 121,094
Long-term debt	118,991	93,325
Minority interest	4,250	2,828
Deferred inc. taxes	26,629	22,098
+ Common stock	42,553	39,816
Add. paid-in capital	51,899	14,776
Retained earnings	313,748	270,244
Total Liabilities & Shareholders' Equity	$ 741,189	$ 564,181

* At lower of cost (LIFO in U.S., FIFO for foreign) or market.
# Less accumulated depreciation.
+ $1.66⅔ par value.

Statistical Summary

%Income bef. Taxes to Sales	15.51	15.85
%Net Income to Sales	8.31	8.78

%Net Income to Equity	20.34	22.34
Sales to Inventories	6.21	5.20
Working Capital	$ 198,495,000	$ 222,158,000
Current Ratio	2.08	2.83
Shareholders' Equity	$ 408,200,000	$ 324,836,000

Squibb Corporation

40 West 57th Street
New York, New York 10019
(212) 621-7000

Officers: Richard M. Furlaud, chairman and chief executive officer; Dennis C. Fill, president and chief operating officer; George P. Maginness, executive vice president and chief financial officer; Ross Reid, sr. vice president, general counsel, and secretary; Martin H. Schmidt, group v.p.; Gordon B. Kuenster, Herbert A. Bly, Daniel A. Cuoco, Joseph J. Eley, Robert E. Humes, Richard S. Kahn, William R. Luney, Joseph T. Stewart, Jr., v.p.'s; J. Elliston Murray, v.p. and controller; Philip S. Seydel, Joseph G. Solari, Jr., asst. controllers; Edward F. Wiedenski, v.p. and treasurer; Emmanuel J. Cassimatis, asst. treasurer; Edward W. Shineman, Jr., asst. secretary-treasurer.

Directors: Richard M. Furland, chairman; John J. McCloy, Alger B. Chapman, Robert H. Ebert, Dennis C. Fill, Philip Handler, John W. Hanes, Gordon B. Kuenster, Myles L. Mace, George P. Maginness, Walter F. O'Connell, Helen M. Ranney, Ross Reid, Richard Salomon, Martin H. Schmidt, Lewis Thomas, Eugene F. Williams, Jr.

Areas of Work: Manufactures and distributes electronic instruments for medical applications including patient monitoring systems and ultra sound scanners. Other areas of work include: fragrances and cosmetics, confectionary goods, surgical instruments, drugs, and vitamins.

Divisions and Subsidiaries:

E.R. Squibb & Cons, Inc.
P.O. Box 4000
Princeton, New Jersey 08540
(609) 921-4000

The Squibb Institute for Medical Research
Argon Medical Corporation
ConvaTec
Edward Weck & Company, Inc.
Surgicot

Squibb Medical Systems Group
13208 Northup Way
Bellevue, Washington 98005
(206) 881-2233

Advanced Technology Laboratories, Inc.
Squibb Medical Systems International
Squibb Vitatek, Inc.
Spacelabs, Inc.
Vita-Stat Medical Services, Inc.

Life Savers, Inc.
40 West 57th Street
New York, New York 10019
(212) 621-7000

Charles of the Ritz Group Ltd.
40 West 57th Street
New York, New York 10019
(212) 621-7300

Andrea Raab Corporation
Duveen Soap Corporation

Acquisition(s):

Spacelabs, Inc.
20550 Prairie Street
Chatsworth, California 91311
Manufactures patient monitoring systems.

Vita-Stat Medical Services, Inc.
Produces blood-pressure monitoring systems.

Argon Medical Corporation
Manufactures disposable products used in cardiovascular patient monitoring and acute hemodialysis.

J.K. Hoppl Corporation
Manufactures microscopes used for microsurgery.

Larry Appolito, Inc.
Manufactures surgical scissors.

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York 10015

State Street Bank & Trust Company
Boston, Massachusetts

St. Louis Union Trust Company
St. Louis, Missouri

Stock Exchange(s): New York, London, Basel, Geneva, Zurich

Ticker Symbol: SQB

Number of Employees:

1980	27,000*	1979	40,000

* After sale of food service subsidiary.

Sales and Earnings

	Net Sales † (000's)	Net Income (000's)
1980	$ 1,675,780	$ 127,426
1979	1,452,712	123,722
1978	1,238,752	117,255
1977	1,103,941	112,508
1976	993,909	108,160

	No. of Com. Shares	Earn. per Share ‡
1980	48,527,000	$2.65
1979	45,617,000	2.71
1978	44,642,000	2.60
1977	44,641,000	2.50
1976	44,644,000	2.40

† Of continuing operations only.
‡ Based on the average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Health-care prods.	$ 1,046,717	$ 868,332
Confectionary prods.	342,287	343,132
Fragrances & cosmetics	286,776	241,248
Total	$ 1,675,780	$ 1,452,712

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.155	—	—
1979	1.095	—	—
1978	1.035	—	—
1977	0.975	—	—
1976	0.915	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1980	$ 1,011,903	$20.85
1979	927,446	20.33
1978	845,548	18.94
1977	774,449	17.35
1976	705,551	15.80

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 1,675,780	$ 1,452,712
Other income	8,355	23,644
Total Income	$ 1,684,135	$ 1,476,356
Cost of sales	750,306	661,506
Expenses	724,272	607,611
Other expenses	12,247	12,106
Interest income	(29,495)	(19,029)
Interest expense	53,544	51,067
Administrative exp.	12,367	13,070
Income before taxes	$ 160,894	$ 150,025
Income taxes	37,815	35,010
Income from cont. oper.	$ 123,079	$ 115,015
Income from discont. oper.	4,347	8,707
Net Income	$ 127,426	$ 123,722

* Included in Costs and Expenses, Depreciation and Amortization: $32,006,000 in 1980 and $36,456,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 12,742	$ 29,477
Time deposits	30,385	17,034
Marketable invest.	447	1,313
Receivables, net	390,972	377,399
Notes receiv.	75,225	—
* Inventories	442,812	384,712
Prepaid expenses	26,019	27,197
Deferred inc. taxes	29,106	17,617
Current Assets	$ 1,007,708	$ 854,749
Assets of businesses sold	—	111,940
Investments & long-term receiv.	230,079	219,456
# Fixed assets	600,895	551,875
Other assets	66,987	55,239
Total Assets	$ 1,905,669	$ 1,793,259

Liabilities
(000's)

Long-term debt, curr.	$ 6,031	$ 2,154
Notes payable	113,654	118,684
Accts. payable & accruals	224,708	199,672
Income taxes	66,220	54,799
Curr. Liabilities	$ 410,613	$ 375,309
Long-term debt	406,744	405,913
Deferred inc. taxes	31,335	38,578
Other liab.	45,074	46,013
+ Common stock	48,552	45,642
Add. paid-in capital	144,340	137,514
Retained earnings	819,135	744,414
Treasury stock	(124)	(124)
Total Liabilities & Shareholders' Equity	$ 1,905,669	$ 1,793,259

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

% Net Income to Equity	12.59	13.34
Sales to Inventories	3.78	3.78
Working Capital	$ 597,095,000	$ 479,440,000
Current Ratio	2.45	2.28
Shareholders' Equity	$1,011,903,000	$ 927,446,000

Standard Logic, Inc.

2215 South Standard Avenue
Santa Ana, California 92707
(714) 979-4770

Standard Logic, Inc.

Officers: Ernest W. Baumgardner, president & chairman of the board; John C. Capraro, v.p.-new product development; Gerald L. Ford, v.p.-finance & secretary; Norman L. Kreuder, v.p.-operations; Donald L. Schnitter, v.p.-marketing; Joseph A. Vivirito, treasurer & asst. secretary.

Directors: Ernest W. Baumgardner, chairman; Marlan M. Merhab, Bruce G. Rossiter, J. Roger Faherty.

Areas of Work: Main product lines include "C-A-S-H" (Computer Automated Systems Hardware). "D-A-R-T" (Dynamic Automated Restaurant Terminal), a point-of-sale system, numerically controlled wire-wrapping machines. Services include wire-wrapping of electronic components, software for wire-wrapping applications, and documentations of finalized electronic assemblies.

Transfer Agent(s):

Bank of America
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: STDL (NASDAQ)

Number of Employees:

1980	135	1977	100
1979	115	1976	60
1978	115		

Plant Footage:

1980	30,000 sq. ft.	1978	25,000
1979	30,000	1977	25,000

Sales and Earnings

	Net Sales	Net Income
1980	$ 4,670,741	$ (32,324)
1979	4,144,882	(87,608)
1978	3,322,459	57,708
1977	2,614,039	133,822
1976	2,801,291	236,763 ‡

	No. of Com. Shares †	Earn. per Share +
1980	2,976,145	—
1979	1,659,100	—
1978	1,550,800	0.03
1977	1,522,400	0.07
1976	1,522,400	0.13 ‡

(Loss)
+ Based on the weighted average number of common shares and common share equivalents outstanding, adjusted to reflect stock split.
† Adjusted to reflect stock split.
‡ Including extraordinary gain of $74,000 ($0.04 per share).

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	—
1978	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 3,278,783	$1.10
1979	540,463	0.33
1978	590,296	0.38
1977	514,808	0.34
1976	380,986	0.25

‡ Adjusted to reflect stock split.

Income Account *

Year ended Oct. 31	1980	1979
Net sales	$ 4,670,741	$ 4,144,882
Cost of sales	2,926,250	2,793,701
Expenses	1,792,815	1,562,789
Loss before taxes	$ (48,324)	$ (211,608)
Income tax credits	(16,000)	(124,000)
Net Loss	$ (32,324)	$ (87,608)

* Included in Costs and Expenses, Depreciation and Amortization: $106,937 in 1980 and $86,944 in 1979.

Assets

As of Oct. 31	1980	1979
Cash	$ 86,959	$ 20,561
Short-term investments	1,993,896	—
Accts. receiv., net	798,138	866,044
Refundable taxes	—	144,000
* Inventories	826,138	759,537
Prepaid expenses	23,006	26,063
Current Assets	$ 3,728,137	$ 1,816,205
# Fixed assets	455,718	534,736
Other assets	1,467	1,626
Total Assets	$ 4,185,322	$ 2,352,567

Liabilities

Notes payable	$ —	$ 540,670
Long-term debt, curr.	22,700	53,500
Accts. payable	215,965	322,217
Accruals	127,320	193,459
Customer advances	60,764	122,908
Income taxes	15,797	67,374
Curr. Liabilities	$ 442,546	$ 1,300,128
Long-term debt	463,993	508,976
Deferred inc. taxes	—	3,000
+ Common stock	74,404	41,478
Add. paid-in capital	2,463,318	299,100
Warrants	573,500	—
Retained earnings	167,561	199,885
Total Liabilities & Shareholders' Equity	$ 4,185,322	$ 2,352,567

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.025 par value.

Statistical Summary

Sales to Inventories	5.65	5.46
Working Capital	$ 3,285,591	$ 516,077
Current Ratio	8.42	1.40
Shareholders' Equity	$ 3,278,783	$ 540,463

Standard Microsystems Corporation

35 Marcus Boulevard
Hauppauge, New York 11787
(516) 273-3100

Officers: Herman Fialkov, chairman of the board; Paul Richman, president; Gerald E. Gollub, executive vice president; Al Marvet, controller; Harold I. Kahen, secretary; Walter J. Kmeta, Arthur Sidorsky, senior v.p.'s; H. Peter Zimbelmann, Jean-Pierre Chalmin, v.p.'s; Victor F. Trizzino v.p. and treasurer.

Directors: Herman Fialkov, chairman; Richard L. Geiger, Paul Richman, Peter F. Dicks, Gerald E. Gollub, Raymond Frankel, John Gatti.

Areas of Work: Engaged in the design, development, manufacture and marketing of metal-oxide-semiconductor (MOS) large scale integrated (LSI) circuits, including memory circuits, logic circuits and data communications circuits.

SMC Microsystems Corporation 35 Marcus Boulevard Hauppauge, New York 11787 (516) 231-8898

Subsidiary:

SMC Microsystems Corporation
35 Marcus Boulevard Hauppauge
New York 11787
(516) 231-8898

Transfer Agent(s):

Bradford Trust Company
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SMSC (NASDAQ)

Number of Employees:

1980	325	1978	150
1979	250		

Plant Footage:

1980	108,800 sq. ft.	1978	15,000
1979	28,800		

Sales and Earnings

	Net Sales	Net Income ‡
1981	$ 18,637,953	$ 2,441,415
1980	14,903,450	2,310,870
1979	11,374,182	3,318,599
1978	7,552,331	1,740,615
1977	5,068,484	1,003,566

	No. of Com. Shares	Earn. per Share ‡
1981	5,013,077	$0.51
1980	3,786,323	0.50
1979	3,701,253	0.73
1978	3,448,068	0.40
1977	3,386,536	0.26

‡ Including extraordinary gains of $1,139,200 ($0.25 per share) in 1979, $830,000 ($0.19 per share) in 1978 and $464,000 ($0.12 per share) in 1977.

Common Stock Equity

	Total Equity	Equity Per Share
1981	$ 21,182,200	$4.23
1980	9,406,268	2.48
1979	6.803,825	1.84
1978	3,232,035	0.94
1977	1,435,351	0.42

Income Account *

Year ended Feb. 28	1981	1980
Net sales & revenues	$ 18,637,953	$ 14,903,450
Cost of sales	8,630,189	6,111,988
Depreciation & amortization	809,409	464,719
Expenses	6,019,472	4,645,891
Interest expense	166,511	72,753
Interest income	(746,228)	(444,730)
Income before taxes	$ 3,758,600	$ 4,052,829
Income taxes	1,317,185	1,741,959
Net Income	$ 2,441,415	$ 2,310,870

* Included in Costs and Expenses, Depreciation and Amortization: $809,409 in 1981 and $464,719 in 1980.

Assets

As of Feb. 18	1981	1980
Cash & cert. of deposit	$ 10,686,857	$ 4,953,486
Accts. receiv.	3,585,511	2,718,131
Tax refund	379,097	—
* Inventories	4,432,996	2,484,432
Prepaid expenses & other assets	130,594	188,661
Current Assets	$ 19,215,055	$ 10,344,710
# Fixed assets	8,957,290	3,288,702
Other assets	141,925	162,056
Total Assets	$ 28,314,270	$ 13,795,468

Liabilities

Notes payable	$ —	$ 250,000
Long-term debt, curr.	91,894	—
Accts. payable & accruals	3,545,110	1,927,056
Inc. taxes	—	1,464,260
Curr. Liabilities	$ 3,637,004	$ 3,641,316
Long-term debt	3,213,159	694,400
Deferred inc. taxes	281,907	53,484
+ Common stock	501,307	378,632
Add. paid-in capital	14,997,204	5,785,362
Retained earnings	5,683,689	3,242,274

Total Liabilities & Shareholders' Equity	$ 28,314,270	$ 13,795,468

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

% Income bef. Taxes to Sales	20.17	27.19
% Net Income to Sales	13.10	15.51
% Net Income to Equity	11.53	24.57
Working Capital	$ 15,578,051	$ 6,703,394
Current Ratio	5.28	2.84
Shareholders' Equity	$ 21,182,200	$ 9,406,268

Standex International Corporation

Manor Parkway
Salem, New Hampshire 03079
(603) 893-9701

Officers: John Bolten, Sr., honorary chairman of the board & chairman of exec. committee; Daniel E.Hogan, chairman of the board & chief exec. officer; Warren S. Cooper, president & chief operating officer; Thomas L. King, sr.v.p. & treasurer; Sol Sackel, sr. v.p.-marketing & communications; Samuel S. Dennis III, v.p.; Robert E. Masotta, v.p., secretary & corp. counsel; John M. Wall, v.p.-industrial relations; John J. Bentley, controller; Thomas H. DeWitt, Norman B. Asher, Charles F. Hartsock, asst. secretaries.

Directors: John Bolten, Sr., Daniel E. Hogan, Edward C. Bloomberg, John Bolten, Jr., William Brewster, William L. Brown, Warren S. Cooper, Samuel S. Dennis III, James N. Johnson, Thomas L. King, John Hill, C. Kevin Landry.

Areas of Work: The Electronics Group manufactures electronic components, inductors, capacitors, connectors, reed switches and reed relays. The Industrial Group manufactures embossing rolls and plates, mold engraving, specialty converting and finishing machinery and systems. Woodside Fireplaces and ducting for heating, air-conditioning, and ventilation systems and custom forgings, power metal spinning of components for aerospace, energy systems, and inudstrial applications. The Consumer Products Group produces club aluminum cookware, and giftwares; solid and plated brass beds, headboards and accessories through its Dresher Manufacturing operation; manufactures and sells pine furniture and furnishings through its Yield House mail order operation and manages a chain of Yield House mail order operation and manages a chain of YieldHouse retail stores; sells grapefruit and other gift packages and fund raising supplies through other mail order operations. The Institutional Prducts Group manufactures patient feeding systems, institutional furniture, handblown glassware, barbecuing and baking equipment, candlelamps and candles, food waste disposers, refrigeration equipment, slicing machines and choppers, carbonator pumps, casters and wheels, and food racks, cabinets and carts. The Graphics Group publishes religious literature and election supplies; manufactures religious literature and election supplies; manufactures commercial printing products and educational materials and specialized binding systems.

Electronics Division & Subsidiaries:

Standex Electronics
4538 Camberwell Road
Cincinnati, Ohio 45209
(513) 871-3777

Manufacture of components and assemblies for the color television, automotive and communications industries.

Paul Smith Company
4538 Camberwell Road
Cincinnati, Ohio 45209
(513) 871-3777

Manufacturer of fixed and variable precision inductors for the color TV and communications industries; also of custom designed, high voltage transformers for solid state furnace ignition systems.

S.I. de Mexico, S.A. de C.V.
323 G Avenue
Douglas, Arizona 85607
(602) 364-7964

Manufacturer of electronic components and component assemblies for Paul Smith and Underwood.

Underwood Electronic Co.
4538 Camberwell Road
Cincinnati, Ohio 45209
(513) 871-3777

Manufacturer of fixed precision mica capacitors and variable mica capacitors for the automotive and communications industries.

Van Products
1329 Arlington Avenue
Cincinnati, Ohio 45225
(513) 681-7600

Manufacturer of hermetic electrical connectors for the refrigeration and air conditioning industries.

Standex Electronics (UK) Limited
Morley Road
Tonbridge, Kent, England
Tonbridge, 0732, 358023 England

Manufacturer of the full range of standard reed switches; also vacuum and high pressure reed switches and DIP reed relays for the telecommunications and electronics industries.

Standex Electronics (Haiti) S.A.
Avenue Haile Selassie
Rt. Simmonds
Port au Prince, Haiti

Manufacturer of fixed precision mica capacitors and variable mica capacitors for the automotive and communications industries.

Acquisition(s):

James Burn Bindings Ltd. (U.K.)
Wire-O Company

Manufactures mechanical binding systems.

Transfer Agent(s):

The First National Bank of Boston
P.O. Box 664
Boston, Massachusetts 02102

Stock Exchange(s): New York, Boston

Ticker Symbol: SXI

Number of Employees:

1980	6,100	1978	5,600
1979	6,241		

Plant Footage:

1980	4,900,000 sq. ft.	1978	4,353,000
1979	4,900,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 347,480,000	$ 19,442,000
1979	297,826,000	16,335,000
1978	241,576,000	10,366,000
1977	208,336,000	8,145,000
1976	189,281,000	6,882,000

	No. of Com. Share #	Earn. per Share #
1980	6,575,000	$2.96
1979	6,338,000	2.58
1978	5,992,000	1.73
1977	5,776,000	1.41
1976	5,603,000	1.23

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1980	1979
Graphics	$ 74,631	$ 64,936
Consumer	81,526	56,392
Institutional	76,614	62,682
Electronics	17,141	19,672
Industrial	96,931	93,586
General corporate & other	637	558
Total	$ 347,480	$ 297,826

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.81	—	—
1979	0.63	—	2-for-1
1978	0.50	—	—
1977	0.40	—	—
1976	0.30	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 117,808,000	$17.70
1979	101,584,000	15.74
1978	84,451,000	14.21
1977	74,793,000	13.29
1976	68,151,000	12.39

‡ Adjusted to reflect stock split.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 347,479,896	$ 297,826,401
Other income	3,129,331	1,291,261
Total income	$ 350,609,227	$ 299,117,662
Cost of sales	219,455,156	184,887,282
Expenses	83,095,641	70,895,144
Depreciation & amortization	8,304,047	7,245,301
Interest expense	6,512,634	5,089,362
Income before taxes	$ 33,241,749	$ 31,000,573
Income taxes	13,800,000	14,666,000
Net Income	$ 19,441,749	$ 16,334,573

Assets

As of June 30	1980	1979
Cash	$ 8,309,844	$ 9,247,275
Receiv., net	48,484,780	41,522,256
* Inventories	82,773,127	68,729,130
Prepaid expenses	2,997,865	2,262,565
Current Assets	$ 142,565,616	$ 121,761,226
Investments	3,700,605	4,895,124
# Fixed assets	67,368,171	59,924,816
Receivables	5,942,966	4,070,597
Intangibles	15,995,892	11,643,182
Total Assets	$ 235,573,250	$ 202,294,945

Liabilities

Notes payable & long-term debt, curr.	$ 7,931,462	$ 7,371,920
Accts. payable	20,103,404	15,645,829
Accruals	5,253,203	4,297,396
Accrued payroll	11,027,108	8,111,455
Income taxes	3,729,120	8,967,104
Curr. Liabilities	$ 48,044,297	$ 44,393,704
Long-term debt	65,376,890	52,306,360
Deferred inc. taxes	4,343,927	4,010,721
+ Common stock	19,964,268	19,363,560
Add. paid-in capital	3,427,318	1,937,093
Retained earnings	94,416,550	80,283,507
Total Liabilities & Shareholders' Equity	$ 235,573,250	$ 202,294,945

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	9.57	10.41
%Net Income to Sales	5.60	5.48
%Net Income to Equity	16.50	16.08
Sales to Inventories	4.20	4.33
Working Capital	$ 94,521,319	$ 77,367,522
Current Ratio	2.97	2.74
Shareholders' Equity	$ 117,808,136	$ 101,584,160

The L. S. Starrett Company

Athol, Massachusetts 01331
(617) 249-3551

Officers: Douglas R. Starrett, presdient; George B. Webber, John H. Grant, Charles H. Morrow, vice presidents; G.A. Thomson, treasurer & secretary; Roger Moore, clerk.

Directors: John N. Engelsted, John H. Grant, Walter W. Haskins, Carl O. Newton, Douglas R. Starrett, Robert W. Stoddard, Robert M. Tyler, Lloyd B. Waring, George B. Webber.

Areas of Work: Manufacturers and sells electronic gages, dial indicators, precision measuring tools, steel tapes, gage blocks, optical measuring tools, granite surface plates, vises, hacksaw ., hole saws, band saws and precision ground flat stock.

Subsidiaries:

The L. S. Starrett Co. of Canada Limited
Industria e Comercio L. S. Suarrett S.A. (Brazil)
The L. S. Starrett Company Limited (Scotland)
The L. S. Starrett International Company (DISC)
L. S. Starrett (South Africa) (Proprieuary) Limited

Transfer Agent(s):

The First National Bank of Boston
P.O. Box 644
Boston, Massachusetts 02102

First National Boston Clearance Corporation
61 Broadway
New York, New York 10005

Stock Exchange(s): New York

Ticker Symbol: SCX

Number of Employees:

1980	2,646	1977	2,123
1979	2,442	1976	2,065
1978	2,201		

Sales and Earnings

	Net Sales	Net Income
1980	$ 110,296,878	$ 12,102,516
1979	92,938,145	10,835,673
1978	76,833,003	7,872,975
1977	66,640,333	5,718,596
1976	58,227,474	5,983,538

	No. of Com. Shares	Earn. per Share ‡
1980	1,922,086	$6.26
1979	1,905,737	5.65
1978	1,894,340	4.04
1977	1,944,712	2.90
1976	1,948,222	3.04

‡ Based on average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.78	—	—
1979	1.42	—	—
1978	1.30	—	—
1977	1.17	—	—
1976	1.05	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 63,678,698	$33.13
1979	54,929,380	28.82
1978	46,770,012	24.69
1977	42,981,873	22.10
1976	39,948,456	20.51

Income Account *

Year ended June 30	1980	1979
Net sales	$ 110,296,878	$ 92,938,145
Cost of sales	65,632,896	54,830,689
Expenses	20,314,314	16,266,574
Interest expense	2,160,552	1,906,309
Income before taxes	$ 22,189,116	$ 19,934,573
Income taxes	10,086,600	9,098,900
Net Income	$ 12,102,516	$ 10,835,673

* Included in Costs and Expenses, Depreciation: $1,865,445 in 1980 and $1,608,419 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 1,370,201	$ 1,319,182
Short-term investments	12,142,077	7,545,360
Accts. receiv., net	18,558,937	15,666,470
* Inventories	34,447,732	31,009,611
Import deposits	134,122	3,487,796
Prepaid expenses	1,943,813	907,887
Current Assets	$ 68,596,882	$ 59,936,306
# Fixed assets	20,231,754	17,816,491
Defer. charges	220,509	206,624
Total Assets	$ 89,049,145	$ 77,959,421

Liabilities

Long-term debt, curr.	$ 58,750	$ 728,500
Accts. payable & accruals	11,626,345	9,549,148
Employee deposits	955,327	936,235
Income taxes	6,634,425	6,568,925
Foreign bank loan	1,396,249	2,753,903
Curr. Liabilities	$ 20,671,096	$ 20,536,716
Long-term debt	—	51,750
Deferred inc. taxes	4,699,351	2,441,575
+ Common stock	2,402,608	2,382,171
Add. paid-in capital	7,581,713	6,932,137
Retained earnings	53,694,377	45,615,072
Total Liabilities & Shareholders' Equity	$ 89,049,145	$ 77,959,421

* At lower of cost or market. (all domestic inventories at LIFO; all others at FIFO).
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	20.12	21.45
%Net Income to Sales	10.97	11.66
%Net Income to Equity	19.01	19.73
Sales to Inventories	3.20	3.00
Working Capital	$ 47,925,786	$ 39,399,590
Current Ratio	3.32	2.92
Shareholders' Equity	$ 63,678,698	$ 54,929,380

Sterisystems Ltd.

47 Baywood Road
Rexdale (Toronto), Ontario M9V 3Y9, Canada
(416) 749-6111

Officers: Donald C. Webster, chairman of the board; Michael J. Needham, president & chief exec. officer; Robert M. Ableman, exec. v.p. & chief operating officer; Douglas H. Last, Alan Drizen, v.p.'s & gen. mgr.'s; Harold M. Pipher, v.p.; Gordon A. Wilde, secretary-treasurer.

Directors: Michael J.Needham, Maurice Parent, Donald C. Webster, Michel M. Lessard, Michael J. Neal, Brian M. Flood, Sidney Liswood.

Areas of Work: Supplies hospital communications systems; engaged in hospital patient television rental; distributes electronic medical and surgical instruments; manufactures Vitamin E products, manufactures and distributes veterinary pharmaceutials.

Divisions and Subsidiaries:

Hospital Services Division (Sterivision)
Medical Products Division (Sterimed)
Pharmaceutical and Veterinary Divisions (Webber Pharmaceuticals, Rexall Drugs & Sterivet)

Webber Pharmaceuticals Ltd.
3909 Nashua Drive, Unit No. 9
Mississauga, Ontario L4V 1P3, Canada

Sterivet Laboratories Limited
3909 Nashua Drive, Unit No. 6
Mississauga, Ontario L4V 1P3 Canada

Sterivet Laboratories Inc.
20102 Progress Drive
Strongsville, Ohio 44136

Transfer Agent(s):

The Canada Trust Company
Toronto, Ontario, Canada

Stock Exchange(s): Toronto

Ticker Symbol: STYT

Sales and Earnings

	Revenues	Net Income +
1980	$ 20,637,203	$ 106,269
1979	17,450,127	(328,743)
1978	14,509,814	174,746
1977	13,025,830	(151,960)
1976	9,857,976	(525,925)

	No. of Com. Shares	Earn. per Share # +
1980	1,480,903	$0.07
1979	1,479,703	—
1978	1,479,703	0.12
1977	1,407,703	—
1976	1,407,703	—

(Loss)
+ Including extraordinary gain of $75,000 in 1979 and extraordinary loss of $274,864 ($0.19 per share) in 1980.
# Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 4,137,534	$2.79
1979	4,028,265	2.72
1978	4,357,008	2.94
1977	4,056,262	2.88
1976	4,208,222	2.99

Income Account *

Year ended	12/26/80	12/28/79
Revenues	$ 20,637,203	$ 17,450,127
Cost of sales & expenses	17,162,779	15,936,635
Res. & develop.	121,765	140,441
Depreciation & amortization	2,002,001	1,592,162
Interest expense	693,525	569,632
Income (loss) before taxes	$ 657,133	$ (788,743)
Income taxes (credit)	276,000	(385,000)
Net Income (Loss)	$ 381,133	$ (403,743)
Extraord. gain (loss)	(274,864)	75,000
Net Income (Loss) & Extraord. items	$ 106,269	$ (328,743)

Assets

As of	12/26/80	12/28/79
Cash	$ 49,312	$ 3,778
Accounts receiv., net	2,635,721	1,895,414
Refundable taxes	—	429,656
* Inventories	3,038,668	3,119,311
Prepaid expenses	134,641	57,579

Current Assets	$ 5,858,342	$ 5,505,738
Advances	67,200	80,936
Installments receiv.	20,193	63,673
Investments	633,562	121,225
# Fixed assets	6,051,605	6,242,725
Intangibles	418,777	894,942
Total Assets	$ 13,049,679	$ 12,909,239

Liabilities

Bank advances	$ 1,233,759	$ 1,422,790
Long-term debt, curr.	518,668	735,668
Accts. payable & accruals	2,566,050	2,086,902
Inc. taxes payable	157,106	—
Due to affliated Company	178,000	—
Curr. Liabilities	$ 4,653,583	$ 4,245,360
Long-term debt	3,254,328	3,270,996
Deferred income	62,401	132,785
Deferred inc. taxes	941,833	1,231,833
+ Common stock	5,358,955	5,355,955
Deficit	(1,221,421)	(1,327,690)
Total Liabilities & Shareholders' Equity	$ 13,049,679	$ 12,909,239

* At lower of cost (FIFO) and net realizable value.
# Less accumulated depreciation & amortizatin.
+ No par value.

Statistical Summary

%Income bef. Taxes to Revenues	3.18	—
%Net Income to Revenues	1.85	—
%Net Income to Equity	9.21	—
Working Capital	$ 1,204,759	$ 1,260,378
Current Ratio	1.26	1.30
Shareholders' Equity	$ 4,137,534	$ 4,028,265

Sterling Electronics Corporation

4201 Southwest Freeway
Houston, Texas 77027
(713) 623-6600

Officers: Michael S. Spolane, chairman of the board & chief exec. officer; Leopold S. Baer, president & chief operating officer; Frank Castle, sr. v.p.-Industrial Marketing Group; Leon Webb, v.p. & treasurer; Byron Turner, Charles Aronis, v.p.'s-Area Industrial Marketing Group.

Directors: Michael S. Spolane, chairman; Leopold S. Baer, M. Michael Gordon, Herschel G. Maltz, Sheldon Lambert, A.J. Dreiseszun, David Toomim.

Areas of Work: Distributes, through its subsidiaries, electronic component and replacement parts, testing equipment and sound reproduction materials to industrial markets. Manufactures panel meters, avionic mechanisms and edge lighted panels.

Divisions and Subsidiaries:

Industrial Distribution Group
4201 Southwest Freeway
Houston, Texas 77027
(713) 623-6600

Component and Systems Technology Group

Airmark Plastics Corporation
Corsa Drive
Westlake Village, California 91361
(213) 889-1470

Phaostron Instrument and Electronics Co.
151 Pasadena Avenue
South Pasadena, California 91030
(214) 255-1417

Phaostron East
70 Dale Street
West Babylon, New York 11704
(516) 293-6622

Commercial Sound
Houston, Texas

Other Subsidiaries:

Corrosion International, Inc.
E & M Laboratories, Inc.
Geo-Explo, Inc.
Kann Ellert Electronics, Inc. (89.3% owned)
Meridian Electronics, Inc. (95.5% owned)
Moulton Electronic Distributors, Inc.
Sterling Electronics and Instruments Company, Inc.
Sterling Electronics Marketing Company, Inc.
Sterling Scientific Industries, Inc.

Transfer Agent(s):

Texas Commerce Bank
c/o Stock Transfer Department
P.O. Box 2558
Houston, Texas 77001

Stock Exchange(s): American

Ticker Symbol: SEC

Number of Employees:

1980	594	1977	964
1979	978	1976	1,031
1978	1,087		

Sales and Earnings

	Net Sales +	Net Income #
1980	$ 56,613,024	$ 1,028,724
1979	51,540,000	(2,515,000)
1978	45,285,000	(146,000)
1977	41,223,000	710,000
1976	37,790,000	605,065

	No. of Com. Shares ‡	Earn. per Share # ‡
1980	3,631,361	$0.28
1979	3,631,361	—
1978	3,631,361	—
1977	3,631,361	0.19
1976	3,865,128	0.15

(Loss)
+ Includes service revenues of continuing operations only.
# Including extraordinary gains of $474,613 ($0.13 per share) in 1980, $324,000 ($0.09 per share) in 1977 and $101,000 ($0.03 per share) in 1976.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity ‡	Equity Per Share +
1980	$ 5,156,911	$ 1.42
1979	4,147,900	1.14
1978	6,478,094	1.78
1977	6,629,514	1.83
1976	5,925,894	1.53

‡ After allowing for preferred stock at aggregate liquidation preference.
+ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended	3/29/80	3/31/79
Net sales & services	$ 56,613,024	$ 51,540,110
Other income	334,136	275,416
Total Income	$ 56,947,160	$ 51,815,526
Cost of sales & services	43,812,096	40,847,169
Expenses	11,072,877	10,058,156
Interest expense	1,004,491	896,316
Loss on securities sale	—	155,535
Income (loss) before taxes	$ 1,057,696	$ (141,650)
Income taxes	500,543	12,320
Minority Interest	3,042	16,210
Inc. (loss)-cont. oper.	$ 554,111	$ (170,180)
Loss-discont. oper.	—	(2,344,406)
Net Income (Loss)	$ 554,111	$ (2,514,586)
Extraord. gain	474,613	—
Net Income (Loss) & Extraord. Gain	$ 1,028,724	$ (2,514,586)

* Included in Costs and Expenses, Depreciation: $398,124 in 1980 and $450,003 in 1979.

Assets

As of	3/28/80	3/31/79
Cash	$ 459,427	$ 882,173
Cert. of deposit	—	200,000
Accts. receiv., net	7,483,268	7,532,057
Notes receiv.	371,938	95,931
* Inventories	8,481,595	8,552,638
Prepaid expenses	128,914	322,669
Current Assets	$ 16,925,142	$ 17,585,468
# Fixed assets	1,740,857	1,470,364
Other assets	637,442	622,216
Total Assets	$ 19,303,441	$ 19,678,048

Liabilities

Credit line	$ 4,868,731	$ 5,119,384
Long-term debt, curr.	986,716	551,743
Accts. payable & accruals	5,675,006	6,922,592
Income taxes	19,178	10,460
Curr. Liabilities	$ 11,549,631	$ 12,604,179
Long-term debt, curr.	1,182,449	1,466,219
Minority interest	409,716	411,690
Deferred taxes, comp. & other	412,934	456,260
+ Preferred stock	73,975	73,975
+ + Common Stock	2,049,361	2,049,361
Add. paid-in capital	8,743,761	8,741,282
Retained earnings (deficit)	(4,174,243)	(5,180,775)
Treasury stock	(944,143)	(944,143)
Total Liabilities & Shareholders' Equity	$ 19,303,441	$ 19,678,048

* At lower of cost (FIFO) or estimated market.
# Less accumulated depreciation and amortization.
+ $2.50 par value; cumulative convertible.
+ + $0.50 par value.

Statistical Summary

% Income bef. Taxes to Sales	1.87	—
% Net Income to Sales	0.98	—
% Net Income to Equity	9.64	—
Working Capital	$ 5,375,511	$ 4,981,289
Current Ratio	1.47	1.40
Shareholders' Equity	$ 5,748,711	$ 4,739,700

Stewart-Warner Corporation

1826 Diversey Parkway
Chicago, Illinois 60614
(312) 883-6000

Officers: Bennett Archambault, chairman of the board & president; Charles M. Carter, senior vice president & treasurer; Irvin R. Danielson, sr. v.p.; Donald A. Potter, W.J. Kiley, T.J. McCook, Curtis W. Van Allen, Edgar L. Conn, Harold B. MacMahon, Philip A. Johnson, vice presidents; Jack C. Morrison, controller; Robin M. Demouth, secretary.

Directors: Bennett Archambault, chairman; Charles M. Carter, Irvin R. Danielson, Haldon A. Leedy, James S. Kemper,Jr., William F. Murray, Thomas L. Martin, Jr., Daniel J. Terra.

Divisions:

Alemite Division
1826 Diversey Parkway
Chicago, Illinois 60614
(312) 883-6000

Products include industrial lubricating equipment, fluid materials handling equipment, automotive service equipment, and hydraulic couplings and hose.

Stewart-Warner Corporation

Stewart-Warner Instrument Division
1854 Diversey Parkway
Chicago, Illinois 60614
(312) 883-6000

4535 Fullerton Avenue
Chicago, Illinois 60639

Products include speedometers, tachometers and gauges, flexible drive shafts, electric fuel pumps, and industrial balancing equipment.

Stewart-Warner Electronics Division
1300 North Kostner Avenue
Chicago, Illinois 60651
(312) 292-3000

Products include photoelectric and numerical controls for machines, facsimile communications systems; information display systems, military electronics systems; machine tool controls.

South Wind Division
1514 Drover Street
Indianapolis, Indiana 46221
(317) 632-8411

Parc Industriel
Route de Wallonie
7410 Ghlin-lez-Mons, Belgium

Products include heat transfer equipment, combustion heating devices, pneumaticand hydraulic equipment.

Bassick Division
960 Atlantic Street
Bridgeport, Connecticut 06602
(203) 366-3671

600 North Strong Avenue
Spring Valley, Illinois 61362
(815) 664-2311

Products include casters, furniture glides, swivel chair mechanisms and clamps and fasteners.

Bassick-Sack Division
2941 Indiana Avenue
Winston-Salem, North Carolina 27105
(919) 725-1331

Manufacturer of furniture and cabinet hardware and decorative trim, for the home and office furniture industries.

Hobbs Division
Yale Boulevard and Ash Street
Springfield, Illinois 62705
(217) 753-7600

State Route 6
Spring Valley, Illinois 61362
(815) 663-2011

Products include hour meters, pressure and vacuum switches, electromechanical devices, and lighting products for automotive, farm, and construction equipment.

Stewart-Warner International Division
1830 Diversey Parkway
Chicago, Illinois 60614

Responsible for the manufacture and sales activities of the foreign subsidiary companies and two joint ventures.

Subsidiaries:

Thor Power Tool Company
175 North State Street
Aurora, Illinois 60507
(312) 898-8000
Roweland Drive
Johnson City, Tennessee 37601

Air and electric powered tools.

Stewart-Warner Datafax Corporation
1320 North Kostner Avenue
Chicago, Illinois 60651
(312) 292-3000

Stewart-Warner Corporation of Canada, Limited
349 MacDonald Avenue
Belleville, Ontario, Canada
(613) 968-6761

Stewart-Warner France, S.A.
60 Rue des Orteaux
75020 Paris, France

Stewart-Warner, Alemite G.m.b.H.
Stockshausstrasse 9,
401 Hilden, Germany

Industrial Alemex, S.A.*
Tapia 836 Oriente
Monterrey, N.L., Mexico

Thor Power Tool GmbH
Mathias-Bruggen Str. 4A
5 Cologne, (Bickendorf) Germany

Stewart-Warner Limited
Tynemouth, Tyne and Wear, England

Herramientas Thor de Mexico, S.A. de C.V.
Apartado Postal 701
Mexico 1, D.F. Mexico

Thor-Fiap S.p.A.
Torino, Italy

Wadco Tools Ltd.*
New Delhi 1, India

* Joint Ventures

Transfer Agent(s):

Irving Trust Company
One Wall Street
New York, New York 10015

Harris Trust and Savings Bank
111 West Monroe Street
Chicago, Illinois 60690

Stock Exchange(s): New York, Midwest,Pacific

Ticker Symbol: STX

Number of Employees:

1980	8,000	1977	9,103
1979	9,000	1976	8,511
1978	9,303		

Plant Footage:

1980	4,104,000 sq.ft.	1977	4,416,000
1979	4,102,000	1976	4,186,000
1978	4,194,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 336,167,000	$ 18,588,000
1979	365,971,000	21,744,000
1978	333,647,000	21,320,000
1977	292,290,000	19,425,000
1976	274,234,000	18,014,000

	No. of Com. Shares +	Earn. per Share +
1980	5,190,000	$3.58
1979	5,189,000	4.19
1978	5,207,000	4.09
1977	5,191,000	3.74
1976	5,178,000	3.48

+ Based on weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1980	1979
Electronic & electro-mechanical systems & products	$ 142,000	$ 175,351
Fabricated metal prods. & hardware	50,000	50,686
Vehicular service equipment & materials	72,100	65,373
Specialty prods. & others	72,100	74,561
Total	$ 336,200	$ 365,971

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$1.88	—	—
1979	1.83	—	5-for-4
1978	1.68	—	—
1977	1.60	—	—
1976	1.57	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 175,004,000	$33.73
1979	166,196,000	32.03
1978	154,180,000	29.66
1977	141,510,000	27.24
1976	130,141,000	25.09

† Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 336,167,000	$ 365,971,000
Cost of sales	252,502,000	277,669,000
Expenses	51,046,000	49,825,000
Other income	(1,185,000)	(2,327,000)
Income before taxes	$ 33,804,000	$ 40,804,000
Income taxes	15,216,000	19,060,000
Net Income	$ 18,588,000	$ 21,744,000

Assets

As of Dec. 31	1980	1979
Cash & time deposits	$ 3,887,000	$ 3,012,000
Marketable securities	2,794,000	3,042,000
Receivables, net	49,302,000	50,659,000
* Inventories	118,584,000	114,151,000
Future tax benefits	7,347,000	6,587,000
Current Assets	$ 181,914,000	$ 177,451,000
# Fixed assets	48,859,000	46,557,000
Other assets	5,415,000	7,234,000
Total Assets	$ 236,188,000	$ 231,242,000

Liabilities

Long-term debt, curr.	$ 1,455,000	$ 415,000
Accts. payable	16,362,000	21,448,000
Accruals	11,436,000	12,929,000
Accrued payroll	14,787,000	15,007,000
Income taxes	5,111,000	3,956,000
Other taxes	4,009,000	3,454,000
Curr. Liabilities	$ 53,160,000	$ 57,209,000
Deferred income taxes	2,627,000	1,561,000
Long-term debt	770,000	1,925,000
Pensions & deferred payments	4,627,000	4,351,000
+ Common stock	13,476,000	13,476,000
Add. paid-in capital	32,658,000	32,680,000
Retained earnings	129,377,000	120,546,000
Treasury stock	(507,000)	(506,000)
Total Liabilities & Shareholders' Equity	$ 236,188,000	$ 231,242,000

* At lower of cost (primarily FIFO) or market.
# Less accumulated depreciation.
+ $2.50 par value.

Statistical Summary

% Income bef. Taxes to Sales	10.06	11.15
% Net Income to Sales	5.53	5.94
% Net Income to Equity	10.62	13.08
Sales to Inventories	2.83	3.21
Working Capital	$ 128,754,000	$ 120,242,000
Current Ratio	3.42	3.10
Shareholders' Equity	$ 175,004,000	$ 166,196,000

Stocker & Yale, Inc.

Route 128 and Brimbal Avenue
Beverly, Massachusetts 01915
(617) 927-3940

Officers: James Bickman, president & treasurer; George F. Stocker, exec. v.p.; John H. Reiman v.p.; Leonidas V. Chalas, v.p.-finance; Norman B. Asher, clerk.

Directors: James Bickman, Norman B. Asher, Harold M. Band, Leonidas V. Chalas, John H. Rieman, Theodore Singer, George F. Stocker.

Areas of Work: Designs, manufactures, assembles and markets products primarily in five industry segments: optical/electronic measuring instruments, machine tool accessories, material handling accessories pressure control systems and lensatic compasses. Optical/electronic products consist of optical measuring instruments, electronic counters and lensatic compasses. Tooling products consist of machine accessories, wedge lock actuators and mateial handling accessories. Pressure control systems consist of hydraulic spring structures for use in industrial stamping and forming.

Divisions:

Stilson Division
30233 Groesbeck Highway
Roseville, Michigan 48066
(313) 778-2010

Machine tool and material handling accessories for the automotive, appliance, automated and other high production industries.

Die-Draulic Division
30233 Groesback Highway
Roseville, Michigan 48066

Manufacturer of hydraulic spring structures for use in stamping presses and dies.

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: STKR (NASDAQ)

Number of Employees:

979	55	1977	55
1978	55	1976	60

Plant Footage:

1979	40,000 sq.ft.	1977	40,000
1978	40,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 7,466,198	$ 1,238,341
1979	6,004,532	816,122
1978	5,444,606	663,865
977	5,869,122	561,658
76	4,459,664	220,385

	No. of Com. Shares ‡	Earn. per Share †
1980	909,508	$1.36
1979	909,508	0.90
1978	909,508	0.73
1977	909,508	0.62
1976	909,508	0.24

‡ Adjusted to reflect stock splits.
† Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.095	—	4-for-3 & 2-for-1
1979	0.060	—	—
1978	0.034	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 4,754,216	$5.23
1979	3,604,106	3.96
1978	2,852,839	3.14
1977	2,197,781	2.42
1976	1,636,123	1.80

‡ Adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 7,466,198	$ 6,004,532
Cost of sales	4,113,451	3,352,011
Expenses	1,210,427	1,188,718
Interest expense	9,305	18,072
Interest income	(234,650)	(125,026)
Income before taxes	$ 2,367,665	$ 1,570,757
Income taxes	1,129,324	754,635
Net income	$ 1,238,341	$ 816,122

* Included in Costs and Expenses, Depreciation: $94,303 in 1980 and $94,830 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 2,171,554	$ 1,336,283
Marketable securities	396,243	—
Receiv., net	1,121,393	935,875
* Inventories	1,755,071	1,560,900
Prepaid expenses	49,415	47,783
Current Assets	$ 5,493,676	$ 3,880,841
# Fixed assets	567,404	615,045
Total Assets	$ 6,061,080	$ 4,495,886

Liabilities

Long-term debt, curr.	$ 25,000	$ 25,000
Accts. payable	277,674	155,248
Accruals	379,271	276,852
Income taxes	330,933	151,310
Curr. Liabilities	$ 1,012,878	$ 608,410
Long-term debt	105,236	129,971
Deferred invest. tax credit	13,554	11,203
Deferred inc. taxes	175,196	142,196
+ Common stock	909,508	398,143
Add. paid-in capital	127,097	127,097
Retained earnings	3,717,611	3,125,170
Treasury stock	—	(46,304)
Total Liabilities & Shareholders' Equity	$ 6,061,080	$ 4,495,886

* At lower of cost (principally FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	31.71	26.16
%Net Income to Sales	16.59	13.59
%Net Income to Equity	26.05	22.64
Sales to Inventories	4.25	3.85
Working Capital	$ 4,480,798	$ 3,272,431
Current Ratio	5.42	6.38
Shareholders' Equity	$ 4,754,216	$ 3,604,106

Storage Technology Corporation

2270 South 88th Street
Louisville, Colorado 80027
(303) 673-5151

Officers: Jesse I. Aweida, president; Naim S. Aweida, Zoltan L. Herger, Erik T. Ringkjob, exec. v.p.'s; Norm B. Barth, Richard D. Benson, Arthur W. Buckingham, Donald D. Bunker, Howard L. Derby, Russell B. Drew, Daniel J. Ellis, Barry G. Hull, William R. Mansfield, Juan A. Rodriguez, John C. Scott, v.p.'s; Charles J. Siefert, exec. v.p.-finance & administration; Nathaniel D. Bernt, treasurer; Paul P. Brountas, secretary; Alan A. Kenney, asst. secretary & asst. treasurer; Martin J. Chizzick, corp. controller.

Directors: Jesse I. Aweida, chairman; Frank P. Brunetta, Charles R. Collins, David J. Dunn, Richard C. Steadman, Robert A. Burgin, Robert E. LaBlanc, Thomas F. Wands, Naim S. Aweida, Charles J. Siefert.

Areas of Work: Engaged in the design, development and manufacture of computer data storage subsystems and the marketing and maintenance of those subsystems. The subsystems utilize one-half inch magnetic tape and magnetic disk recording techniques. Also engaged in the design, manufacture and service of high speed impact printers and card readers. Also manufactures telecommunications products.

Subsidiaries:

Storage Technology Corportion, S.A.
5, Allee Du Bourbonnais
78310-Maurepas, France

Storage Technology of Canada, Ltd.
272 Galaxy Boulevard
Rexdale/Toronto
Ontario M9W 5R8
Canada

Storage Technology Int'l S.A.
51 Boulevard DuSouverain
1160 Bruxelles
Belgium

Storage Technology/B.V.
Jaarbeursplein 17
3521 AN Utrecht
The Netherlands

Storage Technology Italia S.p.A.
Via Birmania, 83
Rome,Italy

Storage Technology G.m.b.H.
Genferstrasse 11, Postfach 560147
6000 Frankfurt/M.56
West Germany

STC Japan, Ltd.
Taneda Building, 8F, 2-5, 1-Chome
Moto Akasaka
Minato-Ku, Tokyo 107
Japan

Storage Technology Corporation de Puerto Rico Inc.
Urbanizacion Industrial El Tuque
Edificio S-S-724-65
Ponce, Puerto Rico 00731

Storage Technology Limited
10-12 Old Court Place
Kensington,London W8 4BR
United Kingdom

Documation Incorporated de Puerto Rico
Road 114
KM 1.5
Guan Gebo Industrial Park
Mayaguez, Puerto Rico 00708

Storage Technology (Switzerland) A.G.
8027 Zurich
58 Bleicherweg,
Switzerland

Documation Products B.V.
Jamestown Road
Finglas, Dublin 11, Ireland

STC International Corporation
Louisville, Colorado

STC Systems Inc.
East 210, Route 4
Paramus, New Jersey 07652
(201) 843-0560

Transfer Agent(s):

United Bank of Denver
1700 Broadway
Denver, Colorado 80217

Stock Exchange(s): New York

Ticker Symbol: STK

Storage Technology Corporation

Number of Employees:

1980	11,536	1977	3,988
1979	7,351	1976	2,527
1978	6,497		

Sales and Earnings

	Revenues (000's)	Net Income (000's)
1980	$ 603,493	$ 45,400
1979	479,453	39,746
1978	300,425	26,812
1977	162,272	11,427
1976	121,779	7,645

	No. of Com. Shares ‡	Earn. per Share ‡
1980	27,754,622	$1.72
1979	24,568,180	1.58
1978	23,651,124	1.15
1977	20,658,540	0.59
1976	17,311,348	0.42

‡ Based on the weighted average number of common shares and common share equivalents outstanding, adjusted to reflect stock dividends and stock splits.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 251,751,000	$9.07
1979	155,470,000	6.33
1978	110,925,000	4.69
1977	61,740,000	2.99
1976	43,816,000	2.53

Income Account *
(000's)

Year ended	12/26/80	12/18/79
Net sales	$ 479,308	$ 376,761
Other income	124,185	102,692
Total income	$ 603,493	$ 479,453
Cost of sales	372,445	286,890
Expenses	108,814	87,715
Depreciation	20,659	18,958
Interest expense	23,975	16,744
Income before taxes	$ 77,600	$ 69,146
Income taxes	32,200	29,400
Net Income	$ 45,400	$ 39,746

Assets
(000's)

As of	12/26/80	12/28/79
Cash	$ 7,856	$ 7,999
Accts. receiv., net	170,407	88,628
Notes receiv., net	7,856	2,503
Sales-type leases	28,582	8,088
* Inventories	162,927	110,873
Current Assets	$ 377,628	$ 218,091
Notes receiv., net	10,710	3,120
Sales-type leases	72,278	24,571
Investments	3,008	8,258
Rental equipment	64,421	59,534
# Fixed assets	147,859	76,947
† Spare parts	37,009	23,881
Other assets	25,116	3,581
Total Assets	$ 738,119	$ 417,983

Liabilities
(000's)

Notes payable	$ 14,266	$ 24,615
Long-term debt, curr.	13,343	9,881
Accts. payable	47,508	27,639
Accruals	66,023	36,263
Income taxes	9,416	8,316
Curr. Liabilities	$ 150,556	$ 106,714
Contractual rents for future periods	—	21,258
Long-term debt	165,223	122,195
Subordinated debentures	125,000	—
Deferred income taxes	45,589	12,346
+ Common stock	2,775	2,457
Add. paid-in capital	110,783	60,206
Retained earnings	138,207	92,807
Treasury stock	(14)	—
Total Liabilities & Shareholders' Equity	$ 738,119	$ 417,983

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
† Less accumulated amortization.
+ $0.10 par value.

Statistical Summary

% Income bef. Taxes to Revenues	12.86	14.42
% Net Income to Revenues	7.52	8.29
% Net Income to Equity	18.03	25.57
Working Capital	$ 227,072,000	$ 111,377,000
Current Ratio	2.51	2.04
Shareholders' Equity	$ 251,751,000	$ 155,470,000

Sun Chemical Corporation

200 Park Avenue
New York, New York 10166
(212) 986-5500

Officers: Norman E. Alexander, chairman of the board & chief executive officer; Edward E. Barr, president & chief operating officer; Stuart Z. Krinsly, exec. v.p. & general counsel; Gerald S. Gutterman, sr. v.p.-finance; Gordon R. MacQuaker, sr. v.p.-graphic arts group; H.C. Whittemore, Jr., sr. v.p.-chemicals group; Dennis M. Libutti, v.p.-Rutherford Machinery Div.; Bernard M. Jaffe, v.p. & secretary; Richard E. France, v.p.-purchasing; Monroe Adlman, v.p.-taxes; W.V. Machaver, v.p.-industrial relations; Massie E. Odiotti, v.p.-general printing ink div.; Joseph C. Allwarden, v.p.-mktg., Kollsman Instrument Div.; Melvin A. Pfaelzer, v.p.-graphic arts; James Weintraub, v.p. & gen. mgr.-research & development; group v.p.'s; M.A. Fischer, Fred L. Gagnon, Lloyd F. Taylor, Daniel J. Carlick; S.R. Cacace, v.p. & controller; David J. O'Brien, treasurer; Geoffrey L. Phillips, dir. of corp. development; Linda G. Kyriakou, dir. of corp. communications; Donald Duddy, pres., SNL Insurance, Ltd.

Directors: Norman E. Alexander*, chairman of the board; Joseph Harris, honorary director; Edward E. Barr*, Disque D. Deane, A. Leon Fergenson*, Raymond Frankel, F. Mark Garlinghouse, Stuart Z. Krinsly*, Samuel J. Levy, Norman I. Schafler, Ralph S. Stillman, Fred R. Sullivan, Gerald Tsai, Jr.

*Member of Executive Committee.

Areas of Work: Develops, manufactures and markets products for the graphics arts industry, including printing inks and organic pigment colorants and graphic arts equipment such as cylindrical decorators, electronic color scanners and ultraviolet ink curing units. Products for the non-graphic arts include textile finishing chemicals, extrusions and laminations, aircraft altimetery and instrumentation, and auto cigarette lighters and replacement vacuum chambers for ignition systems.

Divisions and Subsidiaries:

Operations Headquarters
Fort Lee, New Jersey

Research and Development
Carlstadt, New Jersey

Graphic Arts Group
Northlake, Illinois

General Printing Ink Division
Northlake, Illinois

Chemicals Group
Cincinnati, Ohio

Chemicals Division
Chester, South Carolina

Pigments Division
Cincinnati, Ohio

Facile Division
Paterson, New Jersey

Graphic Equipment Group
East Rutherford, New Jersey

Rutho-Graphics Division
East Rutherford, New Jersey

Rutherford Machinery Division
East Rutheford, New Jersey

Kollsman Instrument Division
Merrimack, New Hampshire

Casco Products Division
Bridgeport, Connecticut

Encres Dresse, S.A. (97% owned)
Brussels, Belgium

General Printing Ink Corporation of Canada, Ltd.
Weston, Ontario, Canada

Ault & Wiborg Group, Limited (46% owned)
London, England

Sun Chemical (U.K.) Inc.
London, England

Societe France Couleurs, S.A. (95% owned)
Vaujours, France

Materiels Equipment Graphiques (50% owned)
Morangis, France

Kollsman System-Technik, GmbH
Munich, Germany

Baglini S.p.A. (98% owned)
Florence & Milan, Italy

Quimica Flesch S.A. (50% owned)
Santiago, Chile

Sun Chemical de Centro America, S.A. de C.V. (40% owned)
San Salvador, El Salvador

F y L Mexicana, S.A. de C.V. (83% owned)
Mexico City, Mexico

Sun General Printing Ink (Pty.) Ltd. (93% owned)
Capetown, South Africa

Sun Chemical de Panama, S.A.
(50% owned)
Panama, Republic of Panama

Fuchs & Lang-Sun Chemical de Venezuela, C.A.
Guacara, Venezuela

General Printing Ink (Australia) Pty. Ltd. (50% owned)
Victoria, Australia

Transfer Agent(s):

Manufacturers Hanover Trust Company
4 New York Plaza
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: SNL

Number of Employees:

1980	6,100	1977	5,000
1979	6,000	1976	4,900
1978	5,600		

Sales and Earnings +

	Net Sales (000's)	Net Income ‡ (000's)
1980	$ 514,000	$ 31,400
1979	470,400	27,700
1978	395,200	20,500
1977	338,700	15,300
1976	292,700	12,800

	No. of Com. Shares †	Earn. per Share ‡ #
1980	6,833,491	$4.52
1979	6,780,000	4.08
1978	6,535,500	3.04
1977	6,562,500	2.29
1976	6,247,500	2.01

+ Restated to reflect the use of the equity method in accounting for its investment in Chromally American.

‡ Including extraordinary credits of $200,000 ($0.04 per share) in 1979, $1,200,000 ($0.17 per share) in 1978 and $500,000 ($0.07 per share) in 1977.

† Adjusted to reflect stock splits.

# Based on average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1980	1979
Graphic arts materials	$ 346,943,000	$ 306,186,000
Graphic arts equipment	42,719,000	43,713,000
Instruments	62,456,000	64,041,000
Other	61,846,000	56,438,000
Total	$ 513,964,000	$ 470,378,000

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$0.40	—	3-for-2
1979	0.325	—	4-for-3
1978	0.30	—	—
1977	0.225	—	—
1976	0.133	—	3-for-2

‡ Adjusted to reflect stock splits.

Common Stock Equity ‡

	Total Equity	Equity Per Share +
1980	$ 148,946,000	$21.79
1979	119,875,000	17.68
1978	91,478,000	14.00
1977	75,425,000	11.49

‡ Restated to reflect change in accounting method.
+ Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31	1980	1979 ‡
Net sales	$ 513,964	$ 470,378
Cost of sales	358,139	324,546
Expenses	112,946	102,747
Oper. profit	$ 42,879	$ 43,085
Other expense	1,673	1,526
Minority interest	(12,272)	(9,138)
Gain on sales of prod. line	(4,010)	—
Interest expense	18,518	10,981
Income bef. taxes	$ 38,970	$ 39,716
Income taxes	7,531	12,275
Net Income	$ 31,439	$ 27,441
Extraordinary credit	—	242
Net Income & Extraord. credit	$ 31,439	$ 27,683

* Included in Costs and Expenses, Depreciation: $9,606,000 in 1980 and $8,428,000 in 1979.
‡ Restated to reflect change in accounting method.

Assets
(000's)

As of Dec. 31	1980	1979 ‡
Cash	$ 12,755	$ 12,466
Short-term invest.	13,233	11,883
Accts. & notes receiv., net	99,349	84,307
* Inventories	97,906	105,848
Prepaid expenses	2,112	2,010
Current Assets	$ 225,365	$ 216,514
Investments	110,213	79,989
# Fixed assets	110,065	95,766
Defer. charges	3,420	3,708
Intangibles	2,912	2,919
Total Assets	$ 451,975	$ 398,896

Liabilities
(000's)

Bank loans	$ 21,083	$ 27,400
Long-term debt, curr.	7,870	3,461
Accts. payable	50,850	48,306
Accruals	15,862	25,626
Accrued interest	3,555	2,605
Accrued payroll	12,634	11,367
Accrued inc. taxes	8,023	16,885
Curr. Liabilities	$ 119,877	$ 135,650
Long-term debt.	159,067	130,790
Minority interest	10,253	6,591
Deferred inc. taxes	13,832	5,990
+ Common stock	4,639	4,639
Add. paid-in capital	24,932	24,967
Retained earnings	120,306	91,591
Treasury stock	(931)	(1,322)
Total Liabilities & Shareholders' Equity	$ 451,975	$ 398,896

‡ Restated to reflect change in accounting method.
* At lower of cost or market. Domestic inventories (excluding instrument and graphic equip. segments) at LIFO; remainder at FIFO.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.58	8.44
%Net Income to Sales	6.12	5.83
%Net Income to Equity	21.11	22.89
Sales to Inventories	5.25	4.44
Working Capital	$ 105,488,000	$ 80,864,000
Current Ratio	1.88	1.60
Shareholders' Equity	$ 148,946,000	$ 119,875,000

Sun Electric Corporation

One Sun Parkway
Crystal Lake, Illinois 60014
(815) 459-7700

Officers: Louis G. Langpop, chairman of the board & chief executive officer; Frank Perna, Jr., president & chief operating officer; L.A. Enz, exec. v.p. & chief financial officer; E.E. Hale, exec. v.p. & director of operations; Joep M. van Ham, exec. v.p.-European Operations; George L. Wendt, sr. v.p., assist. to pres.; Charles N. Hough, Jr., v.p.-marketing; Carl J.Koskinen, v.p.-engineering; Ronald K. Parrish, v.p.-product program management; Truel L. Brown,Jr., v.p.-U.S. Automotive Sales; H. Allan Stark, v.p.-legal & human resources; B.N. Cohen, secretary & treasurer; Gilbert L. Danielson, controller.

Directors: Philip R. Clarke, Jr., Louis G. Langpop, Lee A. Enz, Frank Perna,Jr., William E. Callahan, George Wendt, C.J. Gauthier, Julius Lewis, Gerald A. Kien, D. Barry Davis.

Areas of Work: Engaged in the design, manufacture and marketing of diagnostic test and service equipment for the transportation industry, utilizing microcomputer applications and advanced electronics. The company serves primarily the vehicle service industry, consumers, and motor vehicle manufacturers in more than 100 countries. Sun Electric's product line includes engine and emissions analyzers; wheel service equipment, including balancers, aligners and brake service equipment; a line of hand-held engine test equipment for home mechanics and repair professionals; collision repair equipment; and air conditioning and electrical systems testers. These products aid in vehicle maintenance, improve fuel economy, monitor exhaust emissions and check compliance with safety standards.

Divisions and Subsidiaries:

Industrial Systems Division
Troy, Michigan

Instrument Products Division
San Jose, California

Comercio E. Industria Limitada
Sun Electric do Brasil
Sao Paulo, Brazil

Sun Electric Europe B.V.
Amsterdam, The Netherlands

Sun Electric Austria
Vienna, Austria

Suntester (Aust.) Pty. Ltd.
Sydney, Australia

Suntester de Puerto Rico, Inc.
Arecibo, Puerto Rico

Sun-Electric de Mexico S.A. de C.V.
Mexico City, Mexico

Suntester Limited
King's Lynn, Norfolk, England

Suntester (Belgium) N.V.
Antwerp, Belgium

Suntester (Nederland) B.V.
Amsterdam, The Netherlands

Philipp Gather GmbH
Dusseldorf, West Germany

Van Rooy Dorsman, B.V.
Amsterdam, The Netherlands

Sun Electric France, S.A.
Paris, France

Suntester Equipment (Central) Ltd.
Toronto, Ontario, Canada

Rutherford Assembly Division
La Vergne, Tennessee
Manufactures wheel service equipment.

Nortron Corporation (inactive)
La Vergne, Tennessee
Manufactures automotive wheel balancing equipment.

Sun Electric Credit Corporation
Crystal Lake, Illinois

Sun Electric International, Inc.
Crystal Lake, Illinois

Transfer Agent(s):
Harris Trust & Savings Bank
111 West Monroe
Chicago, Illinois 60690

Stock Exchange(s): New York

Ticker Symbol: SE

Number of Employees:

1980	3,644	1977	3,339
1979	3,919	1976	2,893
1978	3,731		

Plant Footage:

1980	1,095,000 sq.ft.	1977	546,000
1979	984,000	1976	623,000
1978	675,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 203,336,000	$ 11,603,000
1979	165,914,000	11,294,000
1978	138,048,000	8,187,000
1977	112,229,000	7,552,000
1976	90,471,000	5,397,000

Sun Electric Corporation

	No.of Com. Shares #	Earn. per Share †
1980	6,297,000	$2.02
1979	4,859,000	2.32
1978	4,825,000	1.69
1977	4,690,000	1.78
1976	4,013,000	1.30

# Adjusted to reflect stock splits.
† Based on the average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1980	$0.69	—	—
1979	0.60	—	—
1978	0.05	—	3-for-2
1977	0.41	—	—
1976	0.31	—	3-for-2

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 95,488,000	$15.16
1979	58,533,000	12.05
1978	49,947,000	10.35
1977	43,300,000	9.23
1976	28,547,000	7.11

† Adjusted to reflect stock splits.

Income Account *

Year ended October 31	1980	1979
Net sales	$ 203,336,000	$ 165,913,696
Cost of Sales	105,920,000	84,490,417
Expenses	73,550,000	61,077,378
Other income	(2,142,000)	(1,755,103)
Foreign curr. trans. losses (gains)	1,155,000	(19,124)
Interest expense	6,140,000	4,951,987
Income before taxes	$ 18,713,000	$ 17,168,141
Income taxes	7,110,000	5,874,000
Net Income	$ 11,603,000	$ 11,294,141

* Included in Costs and Expenses, Depreciation and Amortization: $4,310,000 in 1980 and $3,490,927 in 1979.

Assets

As of Oct. 31	1980	1979
Cash	$ 1,278,000	$ 1,841,981
Cert. of deposit	5,574,000	—
Accts. receiv., net	53,877,000	37,520,901
* Inventories	79,007,000	67,063,207
Current Assets	$ 139,736,000	$ 106,426,097
Investments	10,916,000	8,647,942
# Fixed assets	34,904,000	25,079,589
Other assets	4,633,000	3,303,378
Total Assets	$ 190,189,000	$ 143,457,006

Liabilities

	1980	1979
Notes payable	$ 15,391,000	$ 10,446,353
Accts. payable	8,639,000	11,497,254
Accruals	17,251,000	14,560,254
Income taxes	10,528,000	7,291,112
Curr. Liabilities	$ 51,809,000	$ 43,794,973
Long-term debt	37,373,000	37,970,000
Deferred inc. taxes	5,519,000	3,158,628
+ Common Stock	6,297,000	4,858,862
Add. paid-in capital	37,007,000	8,054,565
Retained earnings	52,184,000	45,619,978
Total Liabilities & Shareholders' Equity	$ 190,189,000	$ 143,457,006

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.20	10.35
%Net Income to Sales	5.71	6.81
%Net Income to Equity	12.15	19.30
Sales to Inventories	2.57	2.47
Working Capital	$ 87,927,000	$ 62,631,124
Current Ratio	2.70	2.43
Shareholders' Equity	$ 95,488,000	$ 58,533,405

Sunair Electronics, Inc.

3101 Southwest Third Avenue
Fort Lauderdale, Florida 33315
(305) 525-1505

Officers: Robert Uricho, charman of the board & chief exec. officer; Everett A. Cooper, president; J. Robert Bounds, Sue Steadman, v.p.'s; William R. Dawes, secretary & general counsel; Richard H. Hoster, treasurer & controller.

Directors: Robert Uricho, Everett A. Cooper, William R. Dawes, Barrie Shaw, Earl M. Anderson, Jr., William E. Ayer.

Areas of Work: The Company manufactures airborne, mobile, ground, SSB, HF radio.

Subsidiaries:

Sunair International Sales Corp. (DISC)
3101 Southwest Third Avenue
Fort Lauderdale, Florida 33315

Transfer Agent(s):

Chemical Bank
55 Water Street
New York, New York 10041

Stock Exchange(s): American

Ticker Symbol: SNR

Number of Employees:

1980	247	1977	252
1979	298	1976	275
1978	315		

Plant Footage:

1980	50,000 sq.ft.	1977	50,000
1979	50,000	1976	50,000
1978	50,000		

Sales and Earnings

	Net Sales ‡	Net Income
1980	$ 13,068,035	$ 2,112,612
1979	13,199,537	2,334,197
1978	11,271,900	1,564,738
1977	7,630,144	1,280,177
1976	8,242,365	1,772,736

	No. of Com. Shares #	Earn. per Share #
1980	1,177,405	$1.79
1979	1,181,665	1.98
1978	1,180,538	1.33
1977	1,204,584	1.06
1976	1,240,209	1.43

‡ Of continuing operations; includes other income.
# Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1980	$0.70	—	—
1979	0.55	—	—
1978	0.48	10%	—
1977	0.36	—	—
1976	0.32	—	—

† Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 14,390,142	$12.24
1979	13,122,161	11.17
1978	11,587,047	9.80
1977	10,572,333	8.98
1976	10,669,471	8.75

† Adjusted to reflect stock dividend.

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 12,222,234	$ 12,551,704
Cost of sales	7,419,936	7,752,869
Expenses	1,970,487	1,589,471
Interest	(737,276)	(531,315)
Other income	(108,525)	(116,518)
Income before taxes	$ 3,677,612	$ 3,857,197
Income taxes	1,565,000	1,523,000
Net Income	$ 2,112,612	$ 2,334,197

* Included in Costs and Expenses, Depreciation: $169,895 in 1980 and $166,212 in 1979.

Assets

As of Sept. 30	1980	1979
Cash	$ 422,866	$ 1,900,813
Marketable securities & cert. of deposit	3,819,231	3,224,211
Accts. receiv., net	1,368,839	1,661,052
* Inventories	6,667,090	5,766,804
Prepaid expenses	39,010	65,570
Current Assets	$ 12,317,036	$ 12,618,450
# Fixed assets	1,251,967	1,091,907
Other assets	1,706,043	861,735
Total Assets	$ 15,275,046	$ 14,572,092

Liabilities

	1980	1979
Customer deposits	$ 73,940	$ 80,705
Accts. payable	585,850	604,094
Accruals	177,101	243,683
Income taxes	—	452,088
Curr. Liabilities	$ 836,891	$ 1,380,570
Gain on sale of subsid.	48,013	69,361
+ Common stock	120,018	120,018
Add. paid-in capital	2,450,129	2,467,914
Retained earnings	12,028,689	10,740,903
Treasury stock	(208,694)	(206,674)
Total Liabilities & Shareholders' Equity	$ 15,275,046	$ 14,572,092

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	30.09	30.73
%Net Income to Sales	17.28	18.60
%Net Income to Equity	14.68	17.79
Sales to Inventories	1.83	2.18
Working Capital	$ 11,480,145	$ 11,237,880
Current Ratio	14.72	9.14
Shareholders' Equity	$ 14,390,142	$ 13,122,161

Sundstrand Corporation

4751 Harrison Avenue
Rockford, Illinois 61101
(815) 226-6000

Officers: Evans W. Erikson, chairman of the board & chief executive officer; Don R. O'Hare, vice chairman of the board; Frank R. Cordon, president & chief operating officer; Bernard W. Kittle, group v.p.-advanced technology; Ralph A. Rothstein, v.p.-personnel & public relations; Kenelm A. Groff, v.p.-administration; Richard M. Schilling, v.p. & general counsel; Ted L. Ross, v.p.-finance & secretary; A. Adrian Kemper, controller.

Directors: Evans W. Erikson, chairman; Don R. O'Hare, Frank R. Cordon, James W. Ethington, Harry C. Moore, Even T. Collinsworth, Jr., Donald E. Nordlund, John A. Puelicher, Thomas G. Pownall, Thomas L. Marlin, Jr.

Areas of Work: Sundstrand is organized into three major product groups — advanced technology, air comfort and power transmission and fluid handling. Products include hydrostatic transmissions, hydromechanical transmissions, and hydraulic equipment for agricultural, construction and material handling equipment; high speed pumps and compressors for the petromechanical and processing industries; gear drives and flexible couplings for diversified applications in basic industries; components for heating, refrigeration and air conditioning systems; and hydraulic and mechanical transmissions, pneumatic and fluid pumping systems and electronic equipment used in most aerospace vehicles.

Divisions and Subsidiaries:

Sundstrand Hydraulics
2210 Harrison Avenue
Rockford, Illinois 61101
(815) 226-6000

Sundstrand Hydro-Transmission
2800 East 13th Street
Ames, Iowa 60010
(515) 239-6000

Airport Road
LaSalle, Illinois 61301
(815) 224-1850

No. Henderson Road
P.O. Box 36
Freeport, Illinois 61032
(815) 235-3113

Sundstrand Fluid Handling
14845 W. 65th Avenue
Arvada, Colorado 80004
(303) 425-0800

The Falk Corporation
P.O. Box 492
Milwaukee, Wisconsin 53201
(414) 342-3131

The Falk Corporation
Auburn Operation
P.O. Box 1387
Auburn, Alabama 36830
(205) 821-9100

Sundstrand Heat Transfer, Inc.
P.O. Box 530
Dowagiac, Michigan 49047
(616) 782-2141

Sundstrand Tubular Products, Inc.
P.O. Box 636
Camdenton, Missouri 65020
(314) 346-5593

Sundstrand Energy Systems
Rockford, Illinois

Sundstrand Data Control, Inc.
Overlake Industrial Park
Redmond, Washington 98052
(206) 885-3711

Trans Com, Division of Sundstrand Data Control, Inc.
3100 Pullman Avenue
Costa Mesa, California 92626
(714) 979-2600

The Falk Corporation of Canada, Ltd.
Rexdale, Ontario, Canada

Falk do Brazil, Equipamentos Industrias Ltda.
Sao Paulo, Brazil

Mecanica Falk, S.A. de C.V.
(49%) owned
Mexico City, Mexico

Sundstrand Pacific (Pte.) Ltd.
Singapore, Republic of Singapore

Sundstrand France
Dijon, France

The Standard of America Financial Corp.
One South Washington St.
Park Ridge, Illinois 60068
(312) 825-4455

Nikkiso-Sundstrand Company Limited
(50% owned)
Tokyo, Japan

Munck-Sundstrand Transmissoes Hidro Staticas Ltda.
(40% owned)
Sao Paulo, Brazil

Transfer Agent(s):

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: SNS

Number of Employees:

1980	15,600	1977	14,300
1979	15,400	1976	14,500
1978	15,700		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 826,026	$ 78,934
1979	842,630	67,056
1978	731,575	49,794
1977	661,199	37,344
1976	602,600	34,282

	No. of Com. Shares #	Earn. per Share #
1980	16,928,000	$4.57
1979	15,977,000	4.03
1978	15,439,000	3.05
1977	14,743,000	2.35
1976	14,235,000	2.22

# Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Power transmission	$ 338,636	$ 328,031
Fluid & heat transfer	108,014	163,500
Aerospace	479,376	351,099
Total	$ 926,026	$ 842,630

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.50	—	—
1979	1.05	—	—
1978	0.73	—	—
1977	0.60	—	—
1976	0.48	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share #
1980	$ 379,316,900	$22.41
1979	276,201,640	17.29
1978	218,504,790	14.15
1977	173,855,790	11.79
1976	131,082,510	9.21

‡ After allowing for preferred stock at redemption value.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 926,026	$ 842,630
Cost of sales	607,881	587,211
Expenses	166,089	136,881
Other income	(7,673)	(4,692)
Interest expense	25,768	21,545
Prov. for loss to reduce asset val.	8,190	—
Income before taxes	$ 125,771	$ 101,685
Incoe taxes	46,837	34,629
Net Income	$ 78,934	$ 67,056

* Included in Costs and Expenses, Depreciation and Amortization: $38,837,000 in 1980 and $35,050,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 7,869	$ 8,136
Accts. receiv., net	164,668	131,775
* Inventories	331,641	309,951
Other assts, curr.	6,239	6,107
Curr. Assets	$ 510,417	$ 455,969
# Fixed assets	254,179	223,412
Other assets	22,098	26,922
Total Assets	$ 786,694	$ 706,303

Liabilities
(000's)

	1980	1979
Notes payable	$ 6,156	$ 38,279
Long-term debt, curr.	8,871	7,905
Accts. payable	50,717	57,438
Accruals	25,138	22,055
Accrued payroll	20,733	15,978
Retirement plan	20,220	16,894
Income taxes	26,469	26,997
Curr. Liabilities	$ 158,304	$ 185,546
Long-term debt	170,215	141,437
Deferred inc. taxes	54,559	37,850
+ Preferred stock	270	725
+ + Common stock	17,746	16,245
Add. paid-in capital	109,257	95,492
Retained earnings	285,427	233,716
Treasury stock	(688)	(592)
Unamortized value of restricted stock issue	(8,396)	(4,116)
Total Liabilities & Shareholders' Equity	$ 786,694	$ 706,303

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.58	12.07
%Net Income to Sales	8.52	7.96
%Net Income to Equity	19.56	19.64
Sales to Inventories	2.79	2.72
Working Capital	$ 352,113,000	$ 270,423,000
Current Ratio	3.22	2.46
Shareholders' Equity	$ 403,616,000	$ 341,470,000

The Superior Electric Company

383 Middle Street
Bristol, Connecticut 06010
(203) 582-9561

Officers: Wayne A. Peterson, president & chief executive officer; Richard F. Greene, executive v.p. & treasurer; John H. Crozier, corp. counsel & secretary; Roert E. Lowrey, asst. treasurer; Martin Kaplan, v.p.-engineering; Harold W. Lorenson, v.p.-sales; Paul J. Melvin, v.p.-marketing; Terry J. Margolis, v.p.-operations.

Directors: Maurice P. Andrien, Jr., William P. Carpenter*, Richard F. Greene*, Betty H. Jerome*, Charles M. Kearns*, Donald A. Nelson*, Richard B. Nelson, Wayne A. Peterson*, Charles A. Sweet*, Eric W. Vaughan.

*Member of Executive Committee.

Areas of Work: Engaged in the design, engineering, manufacturing and marketing of a range of electronic products on a multi-national basis. Products can be categorized as voltage controls and motion controls. Voltage controls include variable transformers, automatic voltage regulators, and light controls. Motion controls include synchronous stepping motors.

Subsidiaries:

The American Superior Electric Company, Limited
33 Torlake
Toronto 18, Ontario, Canada
(416) 255-2318

Superior Electric Nederland B.V.
The Hague, Netherlands

Superior Electric G.m.b.H.
Frankfurt, Germany

Superior Electric Engineering Services, B.V.
Harlow, Essex, England

Superior Electric International Sales Company
Bristol, Connecticut 06010

Superior Electric S.A.R.L.
Paris, France

Transfer Agent(s):

The Connecticut Bank & Trust Company
Hartford, Connecticut

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SUPE (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1980	$ 49,832,000	$ 2,488,000
1979	44,386,000	2,482,000
1978	35,791,000	1,624,000
1977	29,214,000	1,409,000
1976	27,587,000	(1,470,000)

	No. of Com. Shares	Earn. per Share ‡
1980	2,457,859	$1.01
1979	2,455,762	0.98
1978	2,580,362	0.63
1977	2,576,262	0.55
1976	2,576,262	—

(Loss)
‡ Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1980 (000's)	1979 (000's)
Voltage controls	$ 16,622	$ 16,008
Motion controls	33,210	28,378
Total	$ 49,832	$ 44,386

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.39	—	—
1979	0.33	—	—
1978	0.285	—	—
1977	0.24	—	—
1976	0.24	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 21,879,000	$8.90
1979	20,327,000	8.28
1978	20,035,000	7.77
1977	19,126,000	7.42
1976	18,335,000	7.12

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 49,832,000	$ 44,386,000
Cost of sales	31,417,000	28,512,000
Expenses	12,148,000	10,615,000
Product develop.	926,000	888,000
Other charges	1,046,000	258,000
Income before taxes	$ 4,295,000	$ 4,113,000
Income taxes	1,807,000	1,631,000
Net Income	$ 2,488,000	$ 2,482,000

* Included in Costs and Expenses, Depreciation: $962,000 in 1980 and $895,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 2,392,000	$ 3,624,000
Accts. receiv., net	7,852,000	8,067,000
Other receiv.	149,000	246,000
* Inventories	14,115,000	11,737,000
Prepaid expenses	790,000	464,000
Current Assets	$ 25,298,000	$ 24,156,000
# Fixed assets	9,872,000	9,670,000
Other assets	835,000	651,000
Total Assets	$ 36,005,000	$ 34,477,000

Liabilities

Notes payable	$ 2,000,000	$ 4,000,000
Long-term debt, curr.	400,000	400,000
Accts. payable	1,723,000	3,106,000
Accruals	1,131,000	1,098,000
Accrued payroll & comm.	878,000	1,019,000
Income taxes	1,094,000	176,000
Other taxes	742,000	597,000
Curr. Liabilities	$ 7,968,000	$ 10,396,000
Long-term debt	5,800,000	3,200,000
Deferred inc. taxes	358,000	554,000
+ Common stock	2,458,000	2,456,000
Add. paid-in capital	13,571,000	13,551,000
Retained earnings	5,850,000	4,320,000
Total Liabilities & Shareholders' Equity	$ 36,005,000	$ 34,477,000

* At lower of average cost or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.62	9.27
%Net Income to Sales	4.99	5.59
%Net Income to Equity	11.37	12.21
Sales to Inventories	3.53	3.78
Working Capital	$ 17,330,000	$ 13,760,000
Current Ratio	3.17	2.32
Shareholders' Equity	$ 21,879,000	$ 20,327,000

Superscope, Inc.

20525 Nordhoff Street
Chatsworth, California 91311
(213) 998-9333

Officers: Joseph S. Tushinsky, chairman, chief executive officer & president; Fred C. Tushinsky, executive v.p.; Ronald C. Costa, sr. v.p.-operations; Eugene L. Siciliano, v.p.-finance & chief financial officer; Alan Weber, v.p. & secretary; Robert M. Fried, v.p.-marketing; Anthony M. Blazina, v.p.-Pianocorder Division; Richard L. Clark, treasurer.

Directors: Joseph Tushinsky, Fred C. Tushinsky, Ronald C. Costa, Richard D. Rosenblatt, Laurence M. Weinberg, David A. Climan, Marc Sterling, Michael L. Tenzer.

Areas of Work: Manufactures and distributes a complete line of consumer audio products for home entertainment, including stereo high fidelity components, portable radio cassettes and cassette recorders, auto stereo components, reproducing pianos and systems, standard pianos and prerecorded tape products.

Divisions and Subsidiaries:

Marantz Company, Inc.
Pianocorder Division
Superscope Tape Duplicating Products, Inc.

all at:

20525 Nordhoff Street
Chatsworth, California 91311

Marantz Piano Company, Inc.
P.O. Box 1238
Morganton, North Carolina 28655

Transfer Agent(s):

Bank of America NT & SA
P.O. Box 37002
San Francisco, California 94137

Stock Exchange(s): New York, Pacific

Ticker Symbol: SSP

Number of Employees:

1980 548

Plant Footage:

1980 . . . . . . 195,000 sq. ft.

Sales and Earnings

	Net Sales	Net Income
1980	$ 153,659,000	$ (13,071,000)
1979	196,864,000	(14,614,000)
1978	205,138,000	(15,487,000)
1977	178,649,000	383,000
1976	180,988,000	7,916,000

	No. of Com. Shares †	Earn. per Share †
1980	2,308,000	$ —
1979	2,308,000	—
1978	2,308,000	—
1977	2,308,000	0.17
1976	2,308,000	3.43

(Loss)
† Based on the weighted average number of shares outstanding.

Common Stock Equity ‡

	Total Equity	Equity Per Share +
1980	$ 23,081,000	$10.00
1979	36,152,000	15.66
1978	48,705,000	21.10
1977	64,192,000	27.81
1976	66,117,000	28.65

‡ Restated to reflect change in accounting method to comply with FASB statement No. 43 concerning compensated absences.
+ Based on the weighted average number of shares outstanding.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 153,659	$ 196,864
Cost of sales	106,921	145,819
Expenses	47,208	51,462
Prov. for doubt. accts.	1,969	5,060
Minority interest	37	(30)
Interest expense	10,637	12,721
Equity in net inc. of subsid	1,036	419
Gain on sale of for. oper.	(2,124)	—
Inc. from sale of Pianocorder rights	—	(2,850)
Gain on sale of Chatsworth plant	—	(1,241)
Loss before taxes	$ (12,025)	$ (14,496)
Income taxes	1,046	118
Net Loss	$ (13,071)	$ (14,614)

* Included in Costs and Expenses, Depreciation and Amortization: $3,209,000 in 1980 and $5,180,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979 ‡
Cash	$ 9,999	$ 7,071
Accts. receiv., net	14,631	47,050
* Inventories	21,926	60,613
Prepaid expenses	767	2,477
Current Assets	$ 47,323	$ 117,211
Investments	—	8,917
# Fixed assets	5,241	11,916
Defer. charges	2,593	4,704
Total Assets	$ 55,157	$ 142,748

Liabilities

	1980	1979 ‡
Notes payable	$ 1,253	$ 65,938
Long-term debt, curr.	2,002	1,586
Accts. payable	3,844	17,174
Accruals	3,954	14,020
Income taxes	1,649	1,608
Curr. Liabilities	$ 12,702	$ 100,326
Notes payable	9,895	—
Accrued interest	7,658	—
Long-term debt	1,311	2,530
Minority interest	—	710
Deferred inc. taxes	—	71
Est. liability for warr. costs	510	849
Deferred credit	—	2,110
+ Common stock	2,308	2,308
Add paid-in capital	10,956	10,956
Retained earnings	9,817	22,888
Total Liabilities & Shareholders' Equity	$ 55,157	$ 142,748

‡ Restated to reflect change in accounting method.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

	1980	1979
Sales to Inventories	7.01	3.25
Working Capital	$ 34,621,000	$ 16,885,000
Current Ratio	3.73	1.17
Shareholders' Equity	$ 23,081,000	$ 36,152,000

Survival Technology, Inc.

7801 Woodmont Avenue
Bethesda, Maryland 20014
(301) 654-2303

Officers: Stanley J. Sarnoff, chairman of the board & chief exec. officer; Brian H. Dovey, president; George B. Calkins, v.p.-engineering; Cabot R. Caskie, v.p., treasurer & secretary; Doris L. Geier, asst. secretary; Raymond H. Miller, Jr., asst. treasurer.

Directors: Stanley J. Sarnoff, chairman; Robinson Bosworth, Jr., Brian H. Dovey, Paul D. Paganucci.

Areas of Work: Develops, manufactures and sells syringes, electronic cardiac monitoring equipment, automatic injectors, and emergency care products.

Divisions:

Catrix Parenteral Systems
2555 Hermelin Drive
St. Louis, Missouri

Medalert
New York, New York

Acquisition(s):

Southwest Monitoring Center (Aug. 1980)
Houston, Texas

Transfer Agent(s):

Maryland National Bank
Baltimore, Maryland

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SURV (NASDAQ)

Sales and Earnings

	Net Sales	Net Income +
1980	$ 15,471,000	$ 652,600
1979	11,717,000	1,711,209
1978	10,489,000	1,171,074
1977	6,109,000	(1,649,258)
1976	3,928,000	(868,958)

	No. of Com. shares ‡	Earn. per Share ‡ +
1980	2,490,000	$0.26
1979	2,482,000	0.69
1978	2,482,000	0.47
1977	2,482,000	—
1976	2,477,230	—

(Loss)
+ Including extraordinary gains of $607,000)$0.24 per share) in 1979 and $585,000 ($0.23 per share) in 1978.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1980	1979	1978	1977
Military automatic injectors	62%	59%	68%	62%
Cardiac monitoring equip.	6	9.5	10	10
Cardiac monitoring serv.	7	3.5	—	—
Emergency care prods.	10	13	14	18
Syringe prods.	14	10	7	10
Other	1	5	1	—
Total	100%	100%	100%	100%

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 4,124,200	$1.66
1979	3,410,894	1.37
1978	1,699,685	0.68
1977	528,611	0.21
1976	2,177,869	0.88

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended July 31	1980	1979
Net sales	$ 15,470,900	$ 11,717,359
Cost of sales	9,928,100	7,292,796
Expenses	4,105,600	3,054,695
Depreciation & amortization	547,500	410,685
Interest expense	199,900	170,776
Other income	(437,100)	(978,802)
Income before taxes	$ 1,126,900	$ 1,767,209
Income taxes	474,300	663,000
Net Income	$ 652,600	$ 1,104,209
Extraord. gain	—	607,000
Net Income & extraord. gain	$ 652,600	$ 1,711,209

Assets

As of July 31	1980	1979
Cash	$ 284,200	$ 336,372
Receivables	2,883,000	2,087,986
*Inventories	2,437,100	2,349,136
Prepaid expenses & deposits	192,200	121,670
Current Assets	$ 5,796,500	$ 4,895,164
# Fixed assets	1,538,800	1,437,417
Intangibles	351,200	383,296
Other assets	124,300	116,457
Total Assets	$ 7,810,800	$ 6,832,334

Liabilities

	1980	1979
Notes payable	$ 1,200,000	$ 700,000
Long-term debt, curr.	150,000	150,000
Accts. payable	1,088,300	1,288,869
Customer deposits	—	278,233
Accruals	428,200	412,576
Deferred inc. taxes	407,600	29,262
Curr. Liabilities	$ 3,274,100	$ 2,858,940
Notes payable	412,500	562,500
+ Common stock	249,000	248,249
Add. paid-in capital	423,100	363,172
Retained earnings	3,452,100	2,799,473
Total Liabilities & Shareholders' Equity	$ 7,810,800	$ 6,832,334

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	7.28	15.08
%Net Income to Sales	4.22	9.42
%Net Income to Equity	15.82	32.37
Sales to Inventories	6.35	4.99
Working Capital	$ 2,522,400	$ 2,036,224
Current Ratio	1.77	1.71
Shareholders' Equity	$ 4,124,200	$ 3,410,894

Sybron Corporation

1100 Midtown Tower
Rochester, New York 14604
(716) 546-4040

Officers: William G. vonBerg, chairman & chief executive officer; Paul F. Pagerey, vice chairman; Herbert W. Jarvis, president & chief operating officer; James M. Kieffer, sr. v.p. & general counsel; Jack M. Hultz, vice president-personnel & public relations; James P. McCloskey, vice president-finance; group vice presidents: William Wood, process equipment, James D. Kester-health products, Raymond W. Strohm-laboratory products, Richard M. Klein, chemicals; Robert H. Stegemann, controller; John G. Brummer, secretary; Jeffrey Albin, treasurer; Alfred O. Ginkel, assistant secretary; Dennis R. Olson, asst. controller; Theodore B. Roessel, asst. secretary-assoc. general counsel.

Directors: Sherman Farnham, Joseph P. Fox, Donald A. Gaudion, Emanuel Goldberg, Richard C. Farley, Donald D. Lennox, Paul F. Pagerey, Alexander D. Hargrave, Herbert W. Jarvis, Robert L. Sproull, William G. vonBerg.

Sybron Corporation

Divisions & Subsidiaries (Electronics Related):

Barnstead Company
Boston, Massachusetts
Water purification and storage equipment for hospitals, laboratories, industry.

Erie Scientific Company
Portsmouth, New Hampshire
Microscope slides and cover glasses for laboratories, and flat glass items for the electronics and photographic industries.

Leopold Company
Zelienople, Pennsylvania
Water and waste treatment equipment for municipal and industrial use.

Nalge Company
Rochester, New York
Plastic laboratory ware, piping and custom-molded equipment.

The Pfaudler Co.
Rochester, New York
Elyria, Ohio
Glassed-steel and alloy process equipment.

Medical Products Division
Rochester, New York
Medical and consumer instruments including barometers, thermometers, stethoscopes, sterilizers, x-ray equipment, operating tables, and electro-surgical tools.

Taylor Instrument Division
Rochester, New York
Electronic and pneumatic process instruments such as recorders, transmitters and controllers; digial control systems; and analytical instruments.

Thermolyne Corporation
Dubuque, Iowa
Electrical apparatus for laboratories, including furnaces, hot plates, magnetic stirrers, lights, incubators, automatic slide stainers.

Sybron (Australia) Pty. Limited
Australia
Markets process and water and waste treatment equipment; also supervises local fabrication of alloy process equipment.

Kerr Co. Division
Romulus, Michigan
Dental consumable supplies and sundries for dental practitioners.

Ritter Dental Division
Rochester, New York

Ritter A.G.
Karlsruhe, West Germany

Karl Baisch K.G.
Weinstadt, West Germany
Equipment for the dental practitioner including dental chairs, lights, x-ray units and cabinetry.

Taylor Instrument Companies of Australia Pty. Limited
Australia
Industrial process control instruments.

Sybron Interamericana Industria e Comercio Ltda.
Brazil
Markets process equipment and water and waste treatment products and chemicals and has a small manufacturing operation.

Taylor Instrument Companies of Canada Limited
Canada
Industrial process control instruments and consumer instrument products.

Taylor Instrument (France) S.A.R.L.
France
Markets industrial process control instruments.

Pfaudler-Werke A.G.
Germany
Process equipment and machinery; water and waste treatment equipment.

Taylor Instrument G.m.b.H.
Germany
Markets industrial process control instruments.

Henry Balfour and Company Limited
Scotland
Equipment and packaged systems for process industries.

Taylor Instrument Companies (Europe) Limited
England
Industrial process control instruments.

Sybron Asia Limited
Hong Kong
Markets process equipment, water, and waste treatment equipment, health and laboratory products and specialty chemicals.

Taylor Instruments Company (India) Limited
India
Manufactures industrial process control instruments.

Guardigli, S.p.A.
Milan, Italy
Designs and manufactures recorders, analyzers and industrial weighing devices.

Sybron (Europe) A.G.
Kerr Division
Italy
Consumable dental products for the European market.

Sybron Italia S.p.A.
Resindion Division
Milan, Italy
Ion exchange resins and specialty chemicals.

Taylor Instruments Division
Italy
Industrial process control instruments.

Taylor Servomex Controls
England
Analytic instruments.

Taylor Instrument Companies of New Zealand Limited
New Zealand
Industrial process control instruments.

Brinkmann Instruments
Westbury, New York
Electronic balances and other analytic laboratory equipment.

Shinko-Pfaudler Company, Ltd.
Japan
Manufactures equipment for process industries; produces water and waste treatment equipment.

Pfaudler Permutit S.A. de C.V.
Mexico
Process equipment and water and waste treatment equipment; also markets laboratory products and specialty chemicals.

Taylor Instrument (Mexico) S.A. de C.V.
Mexico
Industrial process control instruments and consumer instruments.

Transfer Agent(s):

Lincoln First Bank of Rochester
Rochester, New York

Ticker Symbol: SYB

Number of Employees:

1980	15,169	1977	17,000
1979	15,000	1976	17,000
1978	15,600		

Plant Footage:

1980	4,100,000 sq.ft.	1977	6,066,700
1979	4,100,000	1976	6,066,700
1978	6,066,700		

Sales and Earnings

	Net Sales	Net Income
1980	$ 792,904,000	$ 23,446,000
1979	723,069,000	22,338,000
1978	616,936,000	28,014,000
1977	584,655,000	27,316,000
1976	576,353,000	27,194,000

	No. of Com. Shares #	Earn per Share #
1980	10,907,000	$2.15
1979	10,904,000	2.05
1978	11,130,000	2.52
1977	11,892,000	2.30
1976	12,477,000	2.18

# Based on the average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1980	%	1979	%
Health products	230,442	29%	226,000	31%
Process water/ waste	143,366	18	135,600	19
Instrumentation	219,764	27	189,800	26
Specialty chemicals	96,666	13	85,900	12
Laboratories prods.	99,666	13	85,800	12
Total	792,904	100%	723,100	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.08	—	—
1979	1.02	—	—
1978	0.96	—	—
1977	0.90	—	—
1976	0.84	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$ 231,677,000	$24.27
1979	220,571,000	23.11
1978	209,966,000	22.00
1977	211,703,000	20.09
1976	195,819,000	18.59

‡ After allowing for preferred stock at involuntary liquidation value.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 792,904,000	$ 723,069,000
Other income	3,827,000	4,631,000
Total Income	$ 796,731,000	$ 727,700,000
Cost of sales	504,044,000	457,571,000
Expenses	232,600,000	206,775,000
Interest expense	17,353,000	14,230,000
Relocation exp.	—	14,090,000
Other expense (income)	(2,094,000)	2,684,000
Income before taxes	$ 44,828,000	$ 32,350,000
Income taxes	19,350,000	8,150,000
Minority interest	2,032,000	1,862,000
Net Income	$ 23,446,000	$ 22,338,000

* Included in Costs and Expenses, Depreciation: $15,966,000 in 1980 and $13,761,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 5,228,000	$ 5,792,000
Marketable securities	24,809,000	12,574,000
Accts. & notes receiv., net	153,425,000	146,577,000
: Inventories	184,314,000	173,039,000

Prepaid expenses & other assets	11,024,000	8,984,000
Current Assets	$ 378,800,000	$ 346,966,000
Investments & other assets	49,910,000	51,450,000
# Fixed assets	123,192,000	114,784,000
Total Assets	$ 551,902,000	$ 513,200,000

Liabilities

Short-term debt	$ 18,274,000	$ 15,640,000
Long-term debt, curr.	2,621,000	1,710,000
Accts.payable	48,791,000	48,163,000
Accruals	54,176,000	50,931,000
Customers advances	13,764,000	8,013,000
Dividends payable	508,000	508,000
Income taxes	16,161,000	3,781,000
Curr. Liabilities	$ 154,295,000	$ 128,746,000
Long-term debt	114,094,000	114,290,000
Pension oblig.—for subsid.	17,865,000	16,901,000
Deferred inc. taxes	11,880,000	10,377,000
Other liab.	3,466,000	3,690,000
+ Preferred stock	3,386,000	3,386,000
+ + Common stock	23,860,000	23,860,000
Add. paid-in capital	3,938,000	3,938,000
Retained earnings	219,118,000	208,012,000
Total Liabilities & Shareholders' Equity	$ 551,902,000	$ 513,200,000

* At lower of cost or market. Domestic inventories at LIFO; remainder at approx. current costs.
# Less accumulated depreciation.
+ $4 par value.
+ + $2.50 par value.

Statistical Summary

% Income bef. Taxes to Sales	5.65	4.47
% Net Income to Sales	2.96	3.09
% Net Income to Equity	9.37	9.34
Sales to Inventories	4.30	4.18
Working Capital	$ 224,505,000	$ 218,220,000
Current Ratio	2.46	2.69
Shareholders' Equity	$ 250,302,000	$ 239,196,000

Sykes Datatronics, Inc.

375 Orchard Street
Rochester, New York 14606
(716) 458-8000

Officers: Robert F. Sykes, chairman & chief exec. officer; G.C. Belden, Jr.,president & chief operating officer; Albert Montevecchio, exec. v.p.-marketing; John R. Sykes, v.p.; Alton F. Riethmeier, sr. v.p.-engineering; Edward L. Pavia, sr. v.p.-software development; Gerald F. McNeil, v.p.-mfg.; Peter J.B. Stevens, v.p.-European sales; Vijay K. Raghavan, v.p. & treasurer; Stanley R. Foster, v.p.-product planning; Robert V. Gianniny, secretary.

Directors: G.C. Belden, Jr., Robert F. Sykes, John R. Sykes, Albert J. McMullen, Martin F. Birmingham, Robert V. Gianniny, Frank M. Hutchins, Jack C. Corey, Jr., Ernest I. Reveal, Albert J. Montevecchio.

Areas of Work: Engaged in the development and manufacture of low-cost data storage systems for use with communication terminals, digital minicomputers, calculators, lab equipment and small business systems computers.

Transfer Agent(s):

Lincoln First Bank, N.A.
P.O. Box 1250
Rochester, New York 14603

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SYKE (NASDAQ)

Number of Employees:

1981	408	1978	102
1980	223	1977	86
1979	142		

Plant Footage:

1981	360,000 sq. ft.	1978	44,000
1980	125,000	1977	44,000
1979	125,000		

Sales and Earnings

	Net Sales	Net Income +
1981	$ 24,174,408	$ 3,354,015
1980	12,298,316	1,491,600
1979	6,552,254	713,811
1978	5,008,001	495,420
1977	3,611,124	159,531

	No. of Com. Shares #	Earn. per Share + #
1981	3,740,501	$0.90
1980	3,049,706	0.49
1979	2,963,094	0.24
1978	2,842,288	0.17
1977	2,822,320	0.06

+ Including extraordinary gains of $208,000 ($0.07 per share) in 1980, $153,000 ($0.05 per share) in 1978 and $66,000 ($0.02 per share) in 1977.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	—	100%	—
1980	—	50%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1981	$ 24,980,654	$6.68
1980	3,754,717	1.23
1979	2,215,405	0.75
1978	1,420,765	0.50
1977	925,345	0.33

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *

Year ended	2/28/81	2/29/80
Net sales	$ 24,174,408	$ 12,298,316
Cost of sales	10,948,800	5,654,266
Expenses	7,484,377	3,824,018
Interest income	(568,983)	—
Interest expense	149,200	203,540
Other expense (income)	14,919	(21,323)
Income before taxes	$ 6,146,015	$ 2,637,815
Income taxes	2,792,000	1,146,215
Net Income	$ 3,354,015	$ 1,491,600

* Included in Costs and Expenses, Depreciation: $540,266 in 1981 and $242,058 in 1980.

Assets

As of	2/28/81	2/29/80
Cash	$ 406,161	$ 211,996
Short-term invest.	13,794,395	—
Accts. receiv., net	6,046,118	2,818,933
* Inventories	6,127,490	2,841,306
Deferred inc. taxes	286,000	121,080
Other curr. assets	120,337	32,347
Current Assets	$ 26,780,501	$ 6,025,662
# Fixed assets	3,651,772	1,763,745
Total Assets	$ 30,432,273	$ 7,789,407

Liabilities

Long-term debt, curr.	$ 104,862	$ 174,706
Accts. payable	1,685,788	943,028
Accruals	1,088,792	659,945
Accrued inc. taxes	1,536,951	851,782
Curr. Liabilities	$ 4,416,393	$ 2,629,461
Long-term debt	798,226	1,405,229
Deferred inc. taxes	237,000	—
+ Common stock	416,599	147,793
Add. paid-in capital	20,939,935	2,955,415
Deferred stock option	(471,825)	(90,421)
Retained earnings	4,095,945	741,930
Total Liabilities & Shareholders' Equity	$ 30,432,273	$ 7,789,407

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

% Income bef. Taxes to Sales	25.42	21.45
% Net Income to Sales	13.87	12.13
% Net Income to Equity	13.43	39.73
Sales to Inventories	3.95	4.33
Working Capital	$ 22,364,108	$ 3,396,201
Current Ratio	6.06	2.29
Shareholders' Equity	$ 24,980,654	$ 3,754,717

Tab Products Co.

2690 Hanover Street
Palo Alto, California 94304
(415) 493-5790

Officers: H.W. LeClaire, president; Jack S. Shepard, executive v.p.-finance & administration; M.T. Reeder, executive vice president; Philip M. Croel, v.p.-marketing; H.E.LeClaire, v.p. & gen. mgr.-Electronic Office Products; Kurt Lein, v.p.-int'l operations; Dennis R. Searles, secretary & controller; Jess Oliver, treasurer, R.J. Sexton, asst. secretary & asst. controller.

Directors: H.W. LeClaire, M.T. Reeder, F.S. Foote Jr., J.D. MacConnell, C. Lester Hogan,Bob Augsberger, Jack Shepard.

Areas of Work: Develops, manufactures and markets computer accessories, office filing systems, electronic data entry equipment, and microprocessor/diskette products for document control and financial/fund accounting.

Subsidiaries:

Tab Products of Canada Ltd.
570 Denison Street
Markham, Ontario L3R 1B9, Canada
(416) 495-6844

Tab Products (Europa) B.V.
Eleanor Rooseveltlaan 102-104
P.O. Box 300
Amstelveen, The Netherlands

Tab Sales Corp.
Palo Alto, California

Transfer Agent(s):

Crocker National Bank
San Francisco, California

Stock Exchange(s): American

Ticker Symbol: TBP

Number of Employees:

1980	1,051	1977	850
1979	1,019	1976	725
1978	947		

Plant Footage:

1980	450,000 sq.ft.	1977	277,000
1979	346,000	1976	273,000
1978	318,000		

Sales and Earnings

	Revenues	Net Income
1980	$ 83,016,000	$ 4,148,000
1979	68,181,000	2,570,000
1978	56,141,000	1,799,000
1977	50,260,000	2,285,000
1976	37,586,000	1,168,000

	No. of Com. Shares	Earn. per Shares #
1980	1,276,832	$3.26
1979	1,269,466	2.03
1978	1,261,415	1.43
1977	1,254,068	1.83
1976	1,250,417	0.93

# Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.20	—	—
1979	0.20	—	—
1978	0.18	—	3-for-2
1977	0.13	—	—
1976	0.13	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 20,524,000	$16.07
1979	16,515,000	13.01
1978	14,102,000	11.18
1977	12,458,000	9.93
1976	10,300,000	8.24

‡ Adjusted to reflect stock split.

Income Account *

Year ended May 31	1980	1979
Net sales & oper. rev.	$ 83,016,000	$ 68,181,000
Cost of sales	44,557,000	37,837,000
Expenses	28,854,000	24,191,000
Interest expense	2,382,000	1,835,000
Income before taxes	$ 7,223,000	$ 4,318,000
Income taxes	3,075,000	1,748,000
Net Income	$ 4,148,000	$ 2,570,000

Assets

As of May 31	1980	1979
Cash	$ 594,000	$ 1,019,000
Accts. receiv., net	14,092,000	12,827,000
* Inventories	11,880,000	8,356,000
Prepaid expenses	1,044,000	783,000
Current Assets	$ 27,610,000	$ 22,985,000
# Fixed assets	15,639,000	15,865,000
Other assets	902,000	177,000
Total Assets	$ 44,151,000	$ 39,027,000

Liabilities

Notes payable	$ 3,145,000	$ 3,259,000
Long-term debt, curr.	125,000	3,438,000
Accts. payable	4,357,000	3,559,000
Commissions	1,528,000	1,292,000
Other accruals	2,760,000	1,971,000
Income taxes	1,200,000	1,243,000
Curr. Liabilities	$ 13,115,000	$ 14,762,000
Long-term debt	10,512,000	7,750,000
+ Common stock	3,518,000	3,402,000
Retained earnings	17,006,000	13,113,000
Total Liabilities & Shareholders' Equity	$ 44,151,000	$ 39,027,000

* Domestic inventories purchased for resale are valued at LIFO; remainder at FIFO or average.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	8.70	6.33
%Net Income to Sales	5.00	3.77
%Net Income to Equity	20.21	15.56
Working Capital	$ 14,495,000	$ 8,223,000
Current Ratio	2.11	1.56
Shareholders' Equity	$ 20,524,000	$ 16,515,000

Talley Industries, Inc.

3500 North Greenfield Road
P.O. Box 849
Mesa, Arizona 85201
(602) 898-2200

Officers: Joseph D. DiSesa, chairman of the board; B. Paul Barnes, president & chief exec. officer; William H. Mallender, exec. v.p., general counsel & secretary; Gerard G. Ellis, sr. v.p.-finance; Edward T. Ryan, Jr., Ralph A. Rockow, v.p.'s; Donald L. Corey, controller & treasurer; Kenneth May, asst. controller.

Directors: B. Paul Barnes*, Joseph D. Di Sesa*, John D. MacNaughton,Jr., William H. Mallender, Thomas F. Reddy, Jr.*, Fred G. Schuller, Wesley A. Stanger, Jr.*, John W. Stodder, Townsend W. Hoopes, Emil T. Nielsen,Jr., John C. Robinson.

*Member of the Executive Committee.

Areas of Work: The Government Group includes products such as ballistic devices, aircraft escape systems, fuzes, and uniform buttons. The ballistic and ordnance product line includes components for aircraft crew escape systems, rocket motors, gas generators, and other ballistically actuated devices; and safe and arm devices. Ballistic and ordnance products are generally sold under prime contract directly to the U.S. Government. Also sells a variety of other government products, including video mappers, BITE indicators, counting accelerometers, and uniform buttons. The Industrial Group includes products such as timing devices (automobile clocks, clock radio timers, battery clock movements, industrial timers and elapsed time indicators), molded plastic parts, and wholesale distribution of building supplies.

Also manufactures and distributes other industrial products including a variety of fractional horsepower motors, electromagnetic clutches and brakes, humidity control devices, and metal stampings. The Consumer Group includes products such as finished clocks and watches, men's and ladies' wearing apparel, and toys; resort hotel services; and retail sales. The Realty Group operates in the Greater Phoenix area. Engaged in the sale of land to developers for commercial and residential development.

Divisions, Subsidiaries & Affiliates:

Waterbury Companies, Inc.
P.O. Box 1812
Waterbury, Connecticut 06720
(203) 756-5551

Talma, Inc.
14-16 Western Avenue
Augusta, Maine 04330
(207) 622-5821

Sher[illegible]ne Manufacturing Co., Inc.
1359 Broadway
New York, New York 10018
(212) 954-0900

Adorence Company, Inc.
1370 Broadway
New York, New York 10018
(212) 244-8490

Talley Industries of Arizona, Inc.
4551 East McKellips Road
Mesa, Arizona 85205
(602) 832-3830

Russell Plastics Technology, Inc.
521 West Hoffman Avenue
Lindenhurst, New York 11757
(516) 226-3700

General Time Corporation
P.O. Box 4067
Mesa, Arizona 85201
(602) 964-2981

Consumer and Industrial Group

Industrial Controls Division
135 South Main Street
Thomaston, Connecticut 06787
(203) 283-5881

Seth Thomas Division
135 South Main Street
Thomaston, Connecticut 06787
(203) 283-5881

Aerospace and Government Group
Mesa, Arizona

Minelco Division
135 South Main Street
Thomaston, Connecticut 06787
(203) 283-8261

Electronics Division
1200 Hicks Road
Rolling Meadow, Illinois 60008
(312) 259-0740

Stencel Aero Engineering Corporation (99%) interest)
Asheville, North Carolina

Westclox of Canada, Limited
Peterborough, Ontario, Canada

Eastern Time, Limited (50% interest)
Hong Kong

Relogios Brasil, S.A. (50% interest)
Sao Paulo, Brazil

Industria Relojera Mexicana S.A. (50% interest)
Toluca, Mexico

Arizona Biltmore Estates, Inc.
Phoenix, Arizona

Imports by Andrew St. John, Inc.
New York, New York

Dynamic Science, Inc.
Phoenix, Arizona

Talley International Sales Corporation
Mesa, Arizona

Adorence Company (Canada), Ltd.
Montreal, Canada

Adorence Company (Hong Kong), Ltd.
Hong Kong

Adorence Company (Europe), Ltd.
London, W1 England

Talley General Time Limited
Strathleven, Scotland

Talley Services, Inc.
Scottsdale, Arizona

Universal Propulsion Company, Inc.
Phoenix, Arizona

Westclox, U.S.
Norcross, Georgia

Transfer Agent(s):

Chase Manhattan Bank, N.A.
1 New York Plaza
New York, New York 10015

Chemical Bank (preferred stock)
55 Water Street
New York, New York 10041

Stock Exchange(s): New York, Boston, Philadelphia

Ticker Symbol: TAL

Number of Employees:

1981 . . . . . . 6,500 1980 7,800

Plant Footage:

1981 . . . . . . 4,342,000 sq. ft. 1980 4,716,000

Sales and Earnings

	Net Sales +	Net Income
1981	$ 376,765,000	$ (4,304,000)
1980	396,142,000	(5,870,000)
1979	433,190,000	10,495,000
1978	404,740,000	16,735,000
1977	358,862,000	11,632,000

	No. of Com. Shares	Earn. per Share †
1981	4,813,000	$ —
1980	4,808,000	—
1979	4,787,000	1.52
1978	4,333,000	2.47
1977	4,283,000	1.72

(Loss)
+ Of continuing operations only.
† Based on average number of shares outstanding.

Revenues By Line of Business
(000's)

	1981	1980
Instrumentation prods:		
Clocks & watches	$ 134,126	$ 161,640
Apparel	87,757	95,896
Specialty prods.	51,137	58,554
Government prods. & services	58,460	68,509
Realty	45,285	11,543
	$ 376,765	$ 396,142

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1981	$ —	—	—
1980	0.75	—	—
1979	1.00	—	—
1978	0.77	—	—
1977	0.60	—	—

Common Stock Equity

	Total Equity *	Equity Per Share
1981	$ 45,365,000	$9.43
1980	51,574,000	10.73
1979	62,717,000	13.10
1978	51,739,000	11.94
1977	40,293,000	9.41

* After allowing for preferred stock at total involuntary liquidation preference value.

Income Account *
(000's)

Year ended March 31	1981	1980
Net sales	$ 376,765	$ 396,142
Cost of sales	307,220	325,680
Expenses	75,131	77,464
Other income	(8,824)	(7,783)
Interest expense	11,731	15,901
Interest capitalized	—	(1,484)
Loss before taxes	$ (8,493)	$ (13,636)
Income taxes credit	(4,189)	(7,766)
Net Loss	$ (4,304)	$ (5,870)

* Included in Costs and Expenses, Depreciation and Amortization: $6,486,000 in 1981 and $7,688,000 in 1980.

Assets
(000's)

As of March 31	1981	1980
Cash	$ 3,208	$ 4,314
Marketable securities	12,729	764
Accts. receiv., net	64,813	80,774
* Inventories	66,924	98,476
Deferred inc. taxes	3,386	4,742
Prepaid expenses	3,567	3,167
Current Assets	$ 154,627	$ 192,237
Investments & advances	6,473	5,807
Long-term receiv.	13,270	4,879
# Fixed assets	29,037	42,310
Realty assets	6,613	37,561
Defer. charges & other assets	850	1,072
Intangibles	7,200	7,552
Total Assets	$ 218,070	$ 291,418

Liabilities
(000's)

	1981	1980
Notes payable	$ 1,305	$ 21,068
Long-term debt, curr.	2,432	2,431
Accts. payable	17,927	20,919
Accruals	27,855	26,065
Income taxes	—	703
Curr. Liabilities	$ 49,519	$ 71,186
Long-term debt	70,069	100,629
Deferred inc. taxes	1,581	1,186
Deferred realty sales	2,915	10,863
Other liabilities	6,988	14,197
+ Preferred stock:		
Series A	187	192
Series B	1,848	1,849
+ + Common stock	4,872	4,867
Add. paid-in capital	40,469	40,468
Retained earnings	40,222	46,581
Treasury stock	(600)	(600)
Total Liabilities & Shareholders' Equity	$ 218,070	$ 291,418

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value, cumulative convertible.
+ + $1 par value.

Statistical Summary

Sales to Inventories	5.63	4.02
Working Capital	$ 105,108,000	$ 121,051,000
Current Ratio	3.12	2.70
Shareholders' Equity	$ 86,998,000	$ 93,357,000

Tandem Computers Incorporated

19333 Vallco Parkway
Cupertino, California 95014
(408) 725-6000

Officers: Thomas J. Perkins, chairman of the board; James G. Treybig, president & chief executive officer; Robert C. Marshall, v.p.& chief operating officer; Michael D. Green, Sr. v.p.; Lawrence A. Laurich, v.p.-engineering; David R. Mackie, v.p.-headquarters marketing; Henry V. Morgan, v.p., secretary & controller; Samuel J. Wiegand, v.p.-marketing; Jeanne D. Wohlers, v.p., treasurer & asst. secretary.

Directors: Thomas J. Perkins*, Morton Collins, Thomas J. Davis, Jr., Franklin P. Johnson, Jr., Eugene Kleiner, Robert C. Marshall, Alvin C. Rice, Robert G. Stone, Jr., James G. Treybig.

*Member of the Executive Committee.

Areas of Work: Designs, develops, manufactures, markets and services multiple processor computer systems solely dedicated to on-line transaction processing and software. The Tandem NonStop System eliminates the risk of system failures and protects the customer's data base from damage caused by electronic hardware malfunctions.

Operating Units:

Eastern Division
One Penn Plaza
New York, New York 10119

Central Division
1827 Walden Office Square
Schaumberg, Illinois 60195

Western International Division
245 Santa Ana Court
Sunnyvale, California 94086

Tandem Computers Canada Limited
180 Duncan Mill Road
Don Mills, Ontario M3B 1Z6
Canada

Tandem Computers Limited
Peel House, 32-34 Church Road
Northolt, Middlesex UB5 5AB
England

Tandem Computers S.A.
1, Place des Etats-Unis
Silic 255
94568 Rungis Cedex, France

Tandem Computers GmbH
Bernerstrasse 34
6000 Frankfurt/Main 56
Germany

Tandem Computers A.B.
Industrivagen 20 2TR
S-171 48 Solna
Sweden

Tandem Computers Italia S.p.A.
Via del Ghisallo 20
Milan, Italy

Tandem Computers Japan Limited
3-1-1 Hagashi Ikebukuro
Toshima-ku
Tokyo, Japan

Tandem Computers B.V.
Koningin Juliana Plein 30-20
2595 AA The Hague, Netherlands

Tandem Computers AG
Zweierstrasse 138
8003 Zurich, Switzerland

Transfer Agent(s):
Bank of America N.T. & S.A.
San Francisco, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TNDM (NASDAQ)

Number of Employees:

1980	1,387	1978	446
1979	828		

Sales and Earnings

	Revenues	Net Income†
1980	$ 108,989,000	$ 10,687,000
1979	55,974,000	4,920,000
1978	24,305,000	3,371,000
1977	7,692,000	325,000
1976	581,000	(2,169,000)

	No.of Com. Shares#	Earn per Share†#
1980	10,080,372	$1.06
1979	8,356,756	0.59
1978	7,179,948	0.47
1977	5,359,846	0.06
1976	1,060,540	—

(Loss)
† Including extraordinary gains of $1,218,000 ($0.17 per share) in 1978 and $167,000 ($0.03 per share) in 1977.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 70,294,000	$6.97
1979	31,530,000	3.77
1978	15,538,000	2.16
1977	2,735,000	0.51

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended Sept.30	1980	1979
Revenues	$ 108,989	$ 55,974
Cost of revenues	40,831	20,786
Prod. develop.	8,786	4,654
Expenses	40,049	20,828
Interest income	(1,759)	(398)
Income before taxes	$ 21,082	$ 10,104
Income taxes	10,395	5,184
Net Income	$ 10,687	$ 4,920

*Included in Costs and Expenses, Depreciation and Amortization: $2,547,000 in 1980 and $1,365,000 in 1979.

Tandem Computers Incorporated

Assets
(000's)

As of Sept.30	1980	1979
Cash	$ 9,265	$ 2,198
Cash invest.	6,980	4,560
Accts. receiv., net	42,552	19,881
*Inventories	20,901	11,304
Prepaid expenses	1,965	1,385
Current Assets	$ 81,663	$ 39,328
#Fixed assets	14,038	6,619
Total Assets	$ 95,701	$ 45,947

Liabilities
(000's)

Cap. lease oblig., curr.	$ 476	$ 375
Accts. payable	11,063	5,675
Accruals	3,216	1,269
Accrued inc. taxes	5,676	4,913
Curr. Liabilities	$ 20,431	$ 12,232
Cap. lease oblig.	1,651	1,144
Deferred inc. taxes	3,325	1,041
+Common stock	251	209
Add. paid-in capital	53,555	25,520
Retained earnings	16,488	5,801
Total Liabilities & Shareholders' Equity	$ 95,701	$ 45,947

*At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+$0.05 par value.

Statistical Summary

%Income bef. Taxes to Revenues	19.34	18.05
%Net Income to Revenues	9.81	8.79
%Net Income to Equity	15.20	15.60
Working Capital	$ 61,232,000	$ 27,096,000
Current Ratio	4.00	3.22
Shareholders' Equity	$ 70,294,000	$ 31,530,000

Tandy Corporation

1800 One Tandy Center
Fort Worth, Texas 76102
(817) 390-3700

Officers: Phil R. North, chairman of the board and chief executive officer; John V. Roach, president and chief operating officer; Lewis F. Kornfeld, Jr. and James L. West, vice chairmen of the board; John McDaniel, sr. vice president and controller; Charles W. Tindall, Jr., sr. vice president and treasurer; Herschel C. Winn, sr. v.p. & secretary; Billy R. Roland, Loyd L. Turner, v.p.'s; Donald L. Bock, asst. treasurer; Louis G. Neumann, asst. secretary.

Directors: Phil R. North, chairman; William C. Conner, John B. Collier, Jr., Lawrence E. Dempsey, James L. West, Perry R. Bass, Jesse L. Upchurch, John A. Wilson, Lewis F. Kornfeld, Jr., Robert R. Lowdon, G.R. Nugent, Donald L. Bryant, John V. Roach.

Business Activities: Operates Radio Shack stores, a consumer electronics chain with company stores, franchised stores and dealer stores located throughout the United States, Canada, Japan, Europe and Australia. Sales outlets in Europe and Australia opprate under the name of Tandy International Electronics. Also manufactures consumer electronics products. As of June 30, 1980, there were 7,715 Radio Shack outlets.

Divisions and Subsidiaries:

Radio Shack Division
Tandy International Electronics
Tandy Electronics Manufacturing
A & A International Trading Companies
Tandy Computer Leasing
Tandy Life Insurance Company

Transfer Agent(s):

First National Bank of Boston
Boston, Massachusetts

Fort Worth National Bank
Fort Worth, Texas

Stock Exchange(s): New York

Ticker Symbol: TAN

Number of Employees:

1980	20,000	1978	20,000
1979	20,700	1977	18,000

Plant Footage:

1980	1,600,000 sq.ft.	1978	1,227,000
1979	1,385,000	1977	1,110,000

Sales and Earnings

	Revenues +	Net Income
1980	$1,395,997,000	$ 112,235,000
1979	1,226,886,000	83,229,000
1978	1,064,953,000	66,146,000
1977	953,030,000	69,042,000
1976	744,371,000	67,524,000

	No. of Com. Shares ‡	Earn. per Share ‡
1980	25,911,000	$4.47
1979	26,501,000	3.23
1978	24,034,000	2.75
1977	33,084,000	2.09
1976	36,206,000	1.86

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.
+ Of continuing operations only.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	—
1978	—	—	2-for-1
1977	—	—	—
1976	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 283,125,000	$10.93
1979	208,353,000	7.86
1978	138,996,000	5.78
1977	164,337,000	4.97
1976	205,882,000	5.69

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *
(000's)

Year ended June 30	1980	1979
Net sales	$ 1,384,637	$ 1,215,483
Other income	11,360	11,403
Total Income	$ 1,395,997	$ 1,266,886
Cost of sales	594,841	535,549
Expenses	546,325	484,249
Depreciation & amortization	19,110	17,121
Interest expense	25,063	28,466
Income before taxes	$ 210,658	$ 161,501
Income taxes	98,423	78,272
Net Income	$ 112,235	$ 83,229

Assets
(000's)

As of June 30	1980	1979
Cash	$ 56,365	$ 37,621
Accts. & notes receiv., net	25,725	15,841
* Inventories	435,160	381,649
Other assets	13,809	12,590
Current Assets	$ 531,059	$ 447,701
# Fixed assets	165,140	156,670
Other assets	14,099	5,218
Total Assets	$ 710,298	$ 609,589

Liabilities

Notes payable	$ 25,918	$ 37,189
Accts. payable	58,926	34,390
Accruals	59,170	52,343
Income taxes	24,703	13,931
Curr. Liabilities	$ 168,717	$ 137,853
Long-term debt	6,523	8,688
Subord. deb.	122,221	122,045
6½% conv. sub. deben.	99,954	100,000
Store mgr. deposits	14,045	16,718
Other liabilities	6,811	4,954
Deferred inc. taxes	8,902	10,978
+ Common stock	25,152	25,150
Add. paid-in capital	33,992	30,441
Retained earnings	297,418	185,183
Treasury stock	(73,437)	(32,421)
Total Liabilities & Shareholders' Equity	$ 710,298	$ 609,589

* At lower of cost (primarily average cost) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	15.21	13.29
%Net Income to Sales	8.11	6.85
%Net Income to Equity	39.64	39.95
Sales to Inventories	3.18	3.18
Working Capital	$ 362,342,000	$ 309,848,000
Current Ratio	3.15	3.25
Shareholders' Equity	$ 283,125,000	$ 208,353,000

T-Bar Incorporated

141 Danbury Road
Wilton, Connecticut 06897
(203) 762-8351

Officers: A. Henry Morgan, chairman & chief exec. officer; James B. Lambert, president & chief operating officer; John P. Ponziani, vice president-operations; Walter R. Jonsson, v.p.-sales; M. Lloyd Bond, vice president-marketing; L.J. Seiden, v.p.-research & engineering; Eckart G. Vollmer, v.p.-finance & chief financial officer; Evelyn Yoder, secretary.

Directors: A. Henry Morgan, Jams B. Lambert, James K. Lindsay, James W. Deer, Julian Rogoff.

Areas of Work: Manufactures high-density, multi-pole T-Bar relays and switches, as well as complete switching systems for data processing, data, and telecommunications.

Transfer Agent(s):

Union Trust Company
300 Main Street
Stamford, Connecticut 06904

Bradford Trust Company
2 Broadway
New York, New York 10004

Stock Exchange(s): American

Ticker Symbol: TRB (NASDAQ)

Number of Employees:

1980	472	1977	213
1979	430	1976	167
1978	350		

Plant Footage:

1980	74,000 sq. ft.	1977	28,000
1979	74,000	1976	28,000
1978	71,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 23,563,196	$ 1,114,114
1979	18,545,481	1,553,240

1978	12,667,069	1,100,658
1977	9,359,358	754,870
1976	6,507,904	447,555

	No. of Com. Shares #	Earn. per Share #
1980	1,656,000	$0.67
1979	1,581,000	0.98
1978	1,396,500	0.79
1977	1,282,985	0.59
1977	1,250,508	0.36

# Based on weighted average number of shares outstanding adjusted to reflect stock dividends and stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	7-for-5 +
1978	—	—	5-for-4†
1977	—	—	6-for-5
1976	—	—	5-for-4

+ Declared Feb., 1980.
† Declared Feb., 1979.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 9,759,833	$5.89
1979	8,358,936	5.29
1978	3,834,218	2.75
1977	2,474,200	1.93
1976	1,695,724	1.36

‡ Adjusted to reflect stock dividends and stock splits.

Income Account *

Year ended Dec. 31	1980	1979
Net Sales	$ 23,563,196	$ 18,545,481
Cost of sales	14,075,854	9,749,116
Expenses	6,606,845	5,562,401
Oper. profit	$ 2,880,497	$ 3,233,964
Interest expense	817,323	435,724
Income before taxes	$ 2,063,174	$ 2,798,240
Income taxes	949,060	1,245,000
Net Income	$ 1,114,114	$ 1,553,240

* Included in Costs and Expenses, Depreciation and Amortization: $643,513 in 1980 and $485,597 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 434,327	$ 686,742
Accts. receiv., net	6,586,503	4,012,480
* Inventories	8,824,222	7,557,326
Prepaid expenses	117,092	44,236
Current Assets	$ 15,962,144	$ 12,300,784
# Fixed assets	1,973,164	1,674,864
Equip. on oper. leases	2,750,691	2,019,438
Other assets	229,480	189,665
Total Assets	$ 20,915,479	$ 16,184,751

Liabilities

Short-term borrowings	$ 2,260,000	$ 200,000
Long-term debt, curr.	164,746	153,054
Accts. payable	2,926,038	1,732,326
Advances	1,380,216	961,032
Accruals	543,411	481,347
Income taxes	553,549	988,619
Curr. Liabilities	$ 7,827,960	$ 4,516,378
Long-term debt	1,610,201	1,745,329
Deferred inc. taxes	433,753	358,000
Advances	1,283,732	1,206,108
+ Common stock	399,649	396,475
Add. paid-in capital	4,842,538	4,735,895
Retained earnings	4,946,363	3,832,249
Deferred comp.	(426,488)	(603,454)
Treasury stock	(2,229)	(2,229)
Total Liabilities & Shareholders' Equity	$ 20,915,479	$ 16,184,751

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.76	15.09
%Net Income to Sales	4.73	8.38
%Net Income to Equity	11.42	18.58
Sales to Inventories	2.67	2.45
Working Capital	$ 8,134,184	$ 7,784,406
Current Ratio	2.04	2.72
Shareholders' Equity	$ 9,759,833	$ 8,358,936

TEC, Incorporated

2727 North Fairview Avenue
Tucson, Arizona 85705
(602) 792-2230

Officers: Don V. Hamilton, chairman of the board & chief executive officer; Byron C. Hamilton, president & chief operating officer; Barry A. Hamilton, v.p.-manufacturing, component group; Bruce M. Hamilton, v.p. & gen. mgr., component group; Ivan D. Schlaefer, v.p.-human resources; William P. Perry, v.p.-purchasing; William E. Wallin, corp. controller.

Directors: Don V. Hamilton, chairman; Byron C. Hamilton, Edward B. Grayden, Hayward A. Gay, Kelvin T. Bacon, Louis H. Schuette, W.H.J. Selders.

Areas of Work: Manufacturer of electronic data processing and computer industry components, consisting of CRT terminals, floppy disc memory systems, switches, indicator lights and digital readouts.

Divisions:

Components Division
Tucson, Arizona 85705

Produces Tec-Lite TM switches, indicators and readouts; Data-Monitor TM annunciators; Data-Panel displays for the data processing and control industry.

Systems Division
Tucson, Arizona 85704

Develops and manufacturers computer input/output Data-Screen terminals.

Transfer Agent(s):

First National Bank of Arizona
P.O. Box 1871
Tucson, Arizona 85702

Stock Exchange(s): American

Ticker Symbol: TCK

Number of Employees:

1980	371	1977	277
1979	311	1976	295
1978	341		

Plant Footage:

1980	150,000 sq. ft.	1977	150,000
1979	150,000	1976	75,000
1978	150,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 15,641,000	$ 208,000
1979	16,204,000	832,000
1978	13,754,000	778,000
1977	12,006,000	1,001,000
1976	9,760,482	778,279

	No. of Com. Shares	Earn. per Share †
1980	825,151	$0.25
1979	825,151	1.01
1978	825,151	0.94
1977	825,151	1.22
1976	682,894	0.95

† Adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.24	—	—
1979	0.40	—	—
1978	0.40	—	—
1977	0.40	20%	—
1976	0.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 5,563,000	$6.74
1979	5,552,795	6.73
1978	5,051,000	6.12
1977	4,603,000	5.58
1976	3,868,553	5.66

Income Account *

Year ended June 30	1980	1979
Net sales	$ 15,641,000	$ 16,204,000
Cost of sales	11,851,000	10,967,000
Expenses	3,234,000	3,574,000
Oper. profit	$ 556,000	$ 1,663,000
Other income	95,000	75,000
Total	$ 651,000	$ 1,738,000
Interest expense	393,000	309,000
Income before taxes	$ 255,000	$ 1,429,000
Income taxes	47,000	597,000
Net Income	$ 208,000	$ 832,000

* Included in Costs and Expenses, Depreciation: $311,000 in 1979 and $295,000 in 1978.

Assets

As of June 30	1980	1979
Cash	$ 672,000	$ 554,000
Receivables, net	2,968,000	3,267,000
* Inventories	4,051,000	3,462,000
Prepaid expenses	37,000	3,000
Current Assets	$ 7,728,000	$ 7,286,000
Notes receiv.	13,000	24,000
# Fixed assets	3,613,000	3,852,000
Other assets	195,000	127,000
Total Assets	$ 11,549,000	$ 11,289,000

Liabilities

Notes payable	$ 1,300	$ 500,000
Long-term debt, curr.	282,000	257,000
Accts. payable	1,407,000	1,354,000
Accruals	702,000	862,000
Dividends payable	17,000	82,000
Income taxes	109,000	253,000
Curr. Liabilities	$ 3,817,000	$ 3,308,000
Long-term debt	1,917,000	2,178,000
Deferred inc. taxes	252,000	250,000
+ Common stock	165,000	165,000
Add. paid-in capital	1,392,000	1,392,000
Retained earnings	4,006,000	3,996,000
Total Liabilities & Shareholders' Equity	$ 11,549,000	$ 11,289,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.20 par value.

TEC, Incorporated

Statistical Summary

%Income bef. Taxes to Sales	1.63	8.82
%Net Income to Sales	1.33	5.13
%Net Income to Equity	3.74	14.98
Sales to Inventories	3.86	4.68
Working Capital	$ 3,911,000	$ 3,978,000
Current Ratio	2.02	2.20
Shareholders' Equity	$ 5,563,000	$ 5,553,000

Tech Serv, Inc.

5301 Holland Drive
Beltsville, Maryland 20705
(301) 474-2900

Officers: Frank L. Goodwin, Jr., president; Ronald C. Ray, v.p.-engineering; Dennis M. Grady, v.p.-military systems marketing; Eli W. Fleming, v.p.-finance, secretary & treasurer; Lois A. Chilcoate, asst. treasurer.

Directors: Eli W. Fleming, Frank L. Goodwin, Jr., Ronald C. Ray, William M. Steoens.

Areas of Work: Manufactures electronic controls and electromechanical systems used in the life science research and education fields and radio-controlled miniature aerial target systems and radio controls which are used in guidance of miniature aircraft and other applications.

Divisions and Subsidiaries:

BSR/LVE Division
Beltsville, Maryland 20705
(301) 474-2900

Industrial Controls Division
Beltsville, Maryland 20705
(301) 474-2900

RS Systems
Beltsville, Maryland 20705
(301) 474-2915
Tech Serv International, Inc. (DISC)
A domestic international sales corporation.

Transfer Agent(s):

Maryland National Bank
225 North Calvert Street
Baltimore, Maryland 21203

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income †
1980	$ 1,917,574	$ (19,704)
1979	1,793,409	151,557
1978	1,188,166	(275,538)
1977	1,616,138	(293,210)
1976	1,853,896	(86,437)

	No. of Com. Shares ‡	Earn. per Share ‡ †
1980	556,566	$ —
1979	553,944	0.27
1978	553,566	—
1977	553,566	—
1976	556,769	—

(Loss)
† Including extraordinary gain of $12,708 ($0.02 per share) in 1979.
‡ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 105,363	$0.19
1979	124,032	0.22
1978	(27,525)	—
1977	n.a.	n.a.
1976	541,223	0.97

(Deficiency)
n.a.— Not available.
† Based on the weighted average number of shares outstanding.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 1,917,574	$ 1,793,409
Cost of sales	1,413,357	1,272,393
Expenses	471,935	384,269
Interest expense	101,343	90,863
Other income	(809)	(2,215)
Sale of land	(48,548)	—
Inc. (loss) bef. taxes	$ (19,704)	$ 48,099
Income taxes	—	12,708
Cum. effect of acct. change	—	(103,458)
Net Income (Loss)	$ (19,704)	$ 138,849
Extraord. gain	—	12,708
Net Income (Loss) & extraord. gain	$ (19,704)	$ 151,557

* Included in Costs and Expenses, Depreciation: $30,120 in 1980 and $52,224 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 23,715	$ 899
Accts. receiv., net	241,700	218,618
* Inventories	480,408	480,544
Prepaid expenses	30,785	24,294
Current Assets	$ 776,608	$ 724,355
#Fixed assets	299,100	467,491
Other assets	8,853	6,189
Total Assets	$ 1,084,561	$ 1,198,035

Liabilities

Notes payable	$ —	$ 205,000
Long-term debt, curr.	87,961	63,837
Accts. payable	168,030	119,790
Accruals	27,943	56,611
Accrued payroll	146,683	96,904
Taxes	7,549	10,987
Curr. Liabilities	$ 438,166	$ 553,129
Long-term debt	541,032	520,874
+ Common stock	61,548	61,248
Add. paid-in capital	1,133,266	1,132,531
Deficit	(1,038,696)	(1,018,992)
Treasury stock	(50,755)	(50,755)
Total Liabilities & Shareholders' Equity	$ 1,084,561	$ 1,198,035

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	2.68
%Net Income to Sales	—	7.74
%Net Income to Equity	—	1.12
Sales to Inventories	3.99	3.73
Working Capital	$ 338,442	$ 171,226
Current Ratio	1.77	1.31
Shareholders' Equity	$ 105,363	$ 124,032

Technical Communications Corporation

56 Winthrop Street
P.O. Box 1070
Concord, Massachusetts 01742
(617) 862-6035

Officers: Arnold M. McCalmont, president; Herbert A. Lerner, treasurer; Edward E. Hicks, secretary & clerk.

Directors: Edward E. Hicks, Dean L. Kellogg, Herbert A. Lerner, Arnold M. McCalmont.

Areas of Work: Involved in the design, development and sale of communications security devices, data modulators and demodulators, signaling and supervisory control communication equipment and computer interface equipment.

Transfer Agent(s):

First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	47	1977	40
1979	43	1976	35
1978	40		

Plant Footage:

1980	12,600 sq. ft.	1977	12,600
1979	12,600	1976	12,600
1978	12,600		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 2,129,942	$ 49,573
1979	1,535,332	78,141
1978	1,670,075	126,998
1977	1,602,678	119,917
1976	1,426,249	305,143

	No. of Com. Shares	Earn. per Share # ‡
1980	534,827	$0.09
1979	534,827	0.15
1978	518,127	0.25
1977	518,127	0.23
1976	517,827	0.59

‡ Including extraordinary credits of $122,000 ($0.24 per share) in 1976.
# Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 1,067,052	$2.00
1979	1,016,783	1.90
1978	932,296	1.80
1977	805,297	1.55
1976	685,366	1.32

Income Account *

Year ended Aug. 31	1980	1979
Net sales	$ 2,129,942	$ 1,535,332
Cost of sales	1,045,936	690,352
Expenses	1,049,022	768,606
Oper. income	$ 34,984	$ 76,374
Other income	27,689	15,132
Income before taxes	$ 62,673	$ 91,506
Income taxes	13,100	13,365
Net Income	$ 49,573	$ 78,141

* Included in Costs and Expenses, Depreciation: $16,911 in 1980 and $16,118 in 1979.

Assets

As of Aug. 31	1980	1979
Cash	$ 45,648	$ 320,077
Accts. receiv., net	296,065	221,281
Short-term investments	—	100,000
* Inventories	841 022	676,429
Prepaid expenses	5,881	8,826
Refundable taxes	55,617	5,816

Current Assets	$ 1,244,233	$ 1,332,429
Investments	909	909
Cash value of life ins.	36,055	32,311
# Fixed assets	83,345	48,736
Deferred income taxes	653	—
Intangibles	287	287
Unamort. organiz. exp.	204	336
Total Assets	$ 1,365,686	$ 1,415,008

Liabilities

Accts. payable	$ 106,712	$ 169,368
Accruals	173,357	187,613
Customers' advances	—	4,794
Deferred inc. taxes	565	674
Income taxes payable	—	23,519
Curr. Liabilities	$ 280,634	$ 385,968
Deferred inc. taxes	—	2,257
+ Common stock	53,483	53,483
Add. paid-in capital	740,562	740,562
Retained earnings	273,007	222,738
Total Liabilities & Shareholders' Equity	$ 1,365,686	$ 1,415,008

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.94	5.96
%Net Income to Sales	2.33	5.09
%Net Income to Equity	4.65	7.69
Sales to Inventories	2.53	2.27
Working Capital	$ 963,599	$ 946,461
Current Ratio	4.43	3.45
Shareholders' Equity	$ 1,067,052	$ 1,016,783

The Technical Materiel Corporation

700 Fenimore Road
Mamaroneck, New York 10543
(914) 698-4800

Officers: E.J. Hofman, president; Frank Budetti, v.p.; Ray H. dePasquale, treasurer; Ruth S. Taylor, secretary.

Directors: R.H. de Pasquale, E.J. Hofman, F. Budetti, G.W. Jennings, D.C. MacDonald.

Areas of Work: Manufactures electronic communications equipment including antenna multi-couplers and synthesized tranceivers, and transmitters.

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income
1980	$ 2,925,379	$ 223,263
1979	1,743,090	(272,372)

	No. of Com. Shares	Earn. per Share†
1980	2,847,704	$0.08
1979	2,847,704	—

(Loss)
†Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 741,591	$0.26
1979	518,328	0.18

Income Account *

Year ended Sept.30	1980	1979
Net sales	$ 2,925,379	$ 1,743,090
Cost of sales	1,368,846	735,684
Expenses	1,112,879	1,117,055
Interest expense	238,875	192,697
Other income	(18,484)	(29,974)
Net Income (Loss)	$ 223,263	$ (272,372)

* Included in Costs and Expenses, Depreciation and Amortization: $46,544 in 1980 and $55,396 in 1979.

Assets

As of Sept.30	1980	1979
Cash	$ 96,132	$ 6,438
Accts. receiv., net	404,626	259,231
Notes receiv.	—	23,625
*Inventories	2,922,179	2,945,418
Prepaid expenses	54,836	67,230
Current Assets	$ 3,477,773	$ 3,301,942
#Fixed assets	728,171	763,593
Other assets	607,880	617,439
Total Assets	$ 4,813,824	$ 4,682,974

Liabilities

Notes payable	$ 1,019,000	$ 975,000
Indebtedness to bank	97,000	39,107
Demand notes payable	1,510,000	1,440,000
Accts. payable	430,900	625,008
Accrued inc. taxes	5,321	12,250
Other accrued taxes	208,627	219,064
Mortg.& notes pay.,curr.	58,682	56,505
Curr. Liabilities	$ 3,329,530	$ 3,366,934
Long-term debt	742,703	797,712
+Common stock	355,963	355,963
Add. paid-in capital	6,924,042	6,924,042
Accumulated deficit	(6,538,414)	(6,761,677)
Total Liabilities & Shareholders' Equity	$ 4,813,824	$ 4,682,974

*At lower of cost average or market.
#Less accumulated depreciation and amortization.
+$0.125 par value.

Statistical Summary

%Net Income to Sales	7.63	—
%Net Income to Equity	30.11	—
Sales to Inventories	1.00	0.59
Working Capital	$ 148,243	$ —
Current Ratio	1.04	—
Shareholders' Equity	$ 741,591	$ 518,328

Technitrol, Inc.

Suite 1606
Two Penn Center Plaza
Philadelphia, Pennsylvania 19102
(215) 426-9105

Officers: Roy E. Hock, chairman & president; William J. McDermott, v.p.-finance & treasurer; Ray A. Zuck, v.p.-operations; James M. Papada, III, secretary; Robert J. Citrino, controller.

Directors: Roy E. Hock,chairman; William J. McDermott, Gordon Palmer, Jr., Frank K. Kelemen, J. Barton Harrison, Edwin S. Eichert, III.

Areas of Work: Manufactures power transformers, pulse transformers, delay lines, custom built electronic data processing systems, computer components, system and related equipment in the memory test equipment business.

Divisions:

Components Division
Philadelphia & Petersburg, Pennsylvania
Greensboro, Maryland

Products Division
1952 East Allegheny Avenue
Philadelphia, Pennsylvania 19134

Transformer Division
Philadelphia & Petersburg, Pennsylvania
Greensboro, Maryland

Subsidiaries:

Advanced Metallurgy, Inc.
1028 E. Smithfield Street
McKeesport, Pennsylvania 15135
(412) 751-5311

Manufactures electrical contacts for circuit breakers and semiconductor devices.

John Chatillon & Sons, Inc.
83-30 Kew Gardens Road
Kew Gardens, New York 11415
(212) 847-5000

Manufactures scales, force measuring instruments, and springs.

Electric Apparatus Company
409 N. Roosevelt Street
Howell, Michigan
(517) 546-0520

Designs and manufactures 1 to 600 horsepower electric motors for use as original equipment and replacements in industrial and commercial applications.

Technitrol International, Inc.
Wilmington, Delaware

Transfer Agent(s):

Industrial Valley Bank and Trust Co.
Philadelphia, Pennsylvania

Continental Stock Transfer Co., Inc.
New York, New York

Stock Exchange(s): American

Ticker Symbol: TNL

Number of Employees:

1980	890	1977	1,030
1979	960	1976	964
1978	875		

Plant Footage:

1980	279,000 sq.ft.	1977	259,000
1979	259,000	1976	259,000
1978	259,000		

Sales and Earnings

	Net Sales +	Net Income
1980	$ 33,475,000	$ 1,107,000
1979	31,419,000	908,000
1978	26,898,000	1,282,000
1977	23,069,000	1,731,000
1976	16,193,000	1,744,000

	No. of Com. Shares	Earn per Share ‡
1980	1,114,410	$1.00
1979	1,099,285	0.68
1978	1,355,735	0.95
1977	1,352,785	1.28
1976	1,364,525	1.30

+ Of continuing operations only.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Electronic products	$ 5,162	$ 4,780
Electrical products	18,066	18,096
Mechanical products	6,434	5,797
Services	3,813	2,746
Total	$ 33,475	$ 31,419

Technitrol, Inc.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 10,309,000	$9.25
1979	9,464,000	8.61
1978	10,274,000	7.58
1977	9,200,000	6.80
1976	7,746,000	5.68

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 33,475,000	$ 31,419,000
Cost of sales	25,724,000	24,090,000
Expenses	5,728,000	5,210,000
Other income	(131,000)	(197,000)
Income before taxes	$ 2,154,000	$ 2,316,000
Income taxes	1,047,000	1,130,000
Income from cont. oper.	$ 1,107,000	$ 1,186,000
Loss from discont. oper.	—	(278,000)
Net Income	$ 1,107,000	$ 908,000

* Included in Costs and Expenses, Depreciation and Amortization: $578,000 in 1980 and $459,000 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 496,000	$ 94,000
Accts. & notes receiv., net	5,284,000	4,509,000
* Inventories	6,210,000	5,734,000
Prepaid expenses	72,000	172,000
Current Assets	$ 12,062,000	$ 10,509,000
# Fixed assets	2,567,000	2,090,000
Not. receiv.	—	90,000
Other assets	178,000	188,000
Total Assets	$ 14,807,000	$ 12,877,000

Liabilities

	1980	1979
Notes payable	$ 300,000	$ 700,000
Long-term debt, curr.	15,000	39,000
Accts. payable	2,106,000	1,222,000
Accruals	1,012,000	1,037,000
Income taxes	191,000	67,000
Dividends payable	83,000	67,000
Curr. Liabilities	$ 3,707,000	$ 3,132,000
Long-term debt.	467,000	32,000
Deferred inc. taxes	324,000	249,000
+ Common stock	186,000	184,000
Add. paid-in capital	1,475,000	1,427,000
Retained earnings	10,417,000	9,622,000
Treasury stock	(1,769,000)	(1,769,000)
Total Liabilities & Shareholders' Equity	$ 14,807,000	$ 12,877,000

* At lower of cost (FIFO and LIFO) or market.
# Less accumulated depreciation.
+ $0.125 par value.

Statistical Summary

	1980	1979
% Income bef. Taxes to Revenues	6.43	—
% Net Income to Revenues	3.31	—
% Net Income to Equity	10.74	9.59
Sales to Investors	5.39	5.48
Working Capital	$ 8,355,000	$ 7,377,000
Current Ratio	3.25	3.36
Shareholders' Equity	$ 10,309,000	$ 9,464,000

Technology Incorporated

1115 Talbott Tower
Dayton, Ohio 45402
(513) 224-9066

Officers: Maurice F. Krug, chairman of the board & president; August E. Maier, exec. v.p.; T. Wayne Holt, division v.p.-life sciences; James J. Mulligan, secretary; J. Richard Swanson, v.p.-finance & treasurer.

Directors: Maurice F. Krug*, John W. Berry*, Jack B. Merrell, James J. Mulligan*, August E. Maier, Marvin E. Bruce, Victor J. Cassano, Sr., William J. Hoben, James B. Scott, Sr.

*Members of Executive Committee.

Divisions and Subsidiaries:

Life Sciences Division
16821 Buccaneer
Suite 206
Houston, Texas 77058
(713) 488-5970

Biomedical research and development in the life science, particularly physiology, vision and biochemistry; medical systems research, quality control of production chemicals, development and marketing of freeze-dried foods.

Instruments and Controls Division
P.O. Box 3036, Overlook Branch
Dayton, Ohio 45431
(513) 426-2405

Interdisciplinary research and development in flight dynamics aeropropulsion, gas dynamics, solid rocket technology, bioastronautics, nuclear effects, avionics, bioengineering, optics, and instrumentation data acquisition, reduction and analysis; electronic systems design and fabrication. Design, manufacture and marketing of scientific instruments for biomedical research, mass flow measurement of gases, and environmental measurement and control. Manufacture of electric annunciators, alarm systems, sequential event recorders and special purpose control equipment for industrial and public utility power plants and other process controls.

Industrial Products Division
14170 172nd Street
Grand Haven, Michigan 49417
(616) 846-2020

Custom fabrication, roll forming and porcelain enameling of industrial metal products; manufacturing of stainless steel animal holding facilities, and other proprietary products, including solid waste dehydration systems.

Technology/Scientific Services, Inc.
P.O. Box 3065
Overlook Branch
Dayton, Ohio 45431

Transfer Agent(s):

Winters National Bank & Trust Co.
Winters Bank Tower
Dayton, Ohio 45401

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TNLG (NASDAQ)

Number of Employees:

1980	357	1977	487
1979	399	1976	609
1978	379		

Sales and Earnings

	Revenues	Net Income ‡
1980	$ 23,640,000	$ 432,222
1979	21,266,000	558,428
1978	22,164,000	443,679
1977	18,972,000	672,830
1976	16,928,000	122,028

	No. of Com. Shares	Earn. per Share‡ #
1980	651,107	$0.64
1979	776,257	0.72
1978	787,757	0.55
1977	839,351	0.77
1976	935,882	0.13

‡ Including extraordinary gain of $43,200 ($0.05 per share) in 1976.
# Based on the average number of shares outstanding.

Revenues By Line of Business

	1980	1979
Aerospace products	$ 7,785,000	$ 7,269,000
Industrial products	15,714,000	13,879,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$0.05	—	—
1979	0.03	—	—
1978	0.03	—	—
1977	0.02	—	—
1976	0.02	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 5,109,380	$7.85
1979	5,427,575	6.99
1978	4,941,047	6.27
1977	4,732,892	5.64
1976	4,361,147	4.66

Income Account *

Year ended June 30	1980	1979‡
Revenues	$ 23,639,690	$ 21,266,205
Cost of sales	21,151,719	18,665,174
Expenses	1,111,671	1,059,337
Depreciation	365,154	325,320
Interest expense	250,924	290,844
Income before taxes	$ 760,222	$ 925,530
Income taxes	328,000	367,102
Net Income	$ 432,222	$ 558,428

‡ Reclssified to conform to current presentation.

Assets

As of June 30	1980	1979‡
Cash	$ 1,406,188	$ 968,508
Accts. receiv., net	2,995,027	4,110,930
Refund. inc. taxes	—	170,406
* Inventories	1,700,771	2,274,418
Prepaid expenses	85,272	33,820
Deferred income tax	213,287	126,195
Current Assets	$ 6,400,545	$ 7,684,277
# Fixed assets	3,352,315	3,389,873
Other assets	422,244	207,391
Total Assets	$ 10,175,104	$ 11,281,541

Liabilities

	1980	1979‡
Long-term debt, curr.	$ 475,483	$ 484,853
Accts. payable	649,636	1,609,937
Accruals	895,207	977,543
Cust. advance payments	496,316	185,851
Income taxes	346,344	—
Curr. Liabilities	$ 2,862,986	$ 3,258,184
Long-term debt	1,927,632	2,394,267
Deferred inc. taxes	275,106	201,515
+ Common stock	1,591,405	1,830,482
Add. paid-in capital	—	230,355
Retained earnings	3,517,975	3,366,738
Total Liabilities & Shareholders' Equity	$ 10,175,104	$ 11,281,541

‡ Restated to conform to current presentation
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Revenues	3.22	4.35
%Net Income to Revenues	1.83	2.63
%Net Income to Equity	8.46	10.29
Working Capital	$ 3,537,559	$ 4,426,093
Current Ratio	2.24	2.36
Shareholders' Equity	$ 5,109,380	$ 5,427,575

Tech/Ops, Inc.

(formerly Technical Operations, Incorporated)

One Beacon Street
Boston, Massachusetts 02108
(617) 523-2030

Officers: C. Vincent Vappi, chairman of the board; Marvin G. Schorr, president; Joseph DiMarzo, senior vice president-finance and administration and treasurer; P.B. Rosenberg, vice president-financial planning & control; Eric T. Clarke, vice president & secretary; Robert P. Moncreiff, assistant secretary and counsel.

Directors: C. Vincent Vappi, chairman; Eric T. Clarke, Joseph DiMarzo, Frank L. Marx, Harold C. Mayer, Jr., Herbert Roth, Jr., Marvin G. Schorr, Milton C. Lauenstein.

Areas of Work: Manufactures radiographic equipment, and operates a personnel radiation detection and monitoring service. Develops, manufactures and markets control systems for electric fork lift trucks and other battery powered vehicles. Also owns a construction company and is engaged in broadcasting activities.

Divisions and Subsidiaries:

Technology Group:

Nuclear Products and Services Group
Burlington, Massachusetts

R.S. Landauer, Jr. & Company
Glenwood, Illinois

Radiation Products Division
Burlington, Massachusetts

Radiation Products Division UK
Washington, England

Nagase-Landauer, Ltd. (50%)
Tokyo, Japan

Technical Operations, Limited
Gateshead, England

Sevcon, Limited
Gateshead, England

Technical Operations, S.A.
Paris, France

Sevcon USA
Burlington, Massachusetts

Broadcasting Group:

McCormick Communications, Inc. (80% owned)
Boston, Massachusetts

WLKW AM/FM
Providence, Rhode Island

WIYE FM
Buffalo, New York

WFOG AM/FM
Suffolk/Norfolk, Virginia

Transfer Agent(s):

First National Bank of Boston
Shareholders' Service Division
Post Office Box 644
Boston, Massachusetts 02101

Stock Exchange(s): American

Ticker Symbol: TO

Sales and Earnings

	Net Sales +	Net Income ‡	No. of Com. Shares	Earn. per Share ‡ #
1980	$ 30,020,000	$ 1,868,000	1,023,044	$1.57
1979	22,793,000	1,858,000	1,359,844	1.32
1978	19,279,000	949,000	1,351,744	0.71
1977	15,989,000	384,000	1,343,669	0.29
1976	13,429,000	(1,949,000)	1,343,669	—

(Loss)

+ Includes contract revenues; of continuing operations only.

‡ Including extraordinary gain of $105,000 ($0.08 per share) in 1977.

# Based on the weighted average number of shares outstanding.

Revenues By Line of Business
(000's)

	1980	1979
Technology	$ 26,189	$ 20,047
Broadcasting	3,831	2,746
Total	$ 30,020	$ 22,793

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 10,324,000	$10.09
1979	12,113,000	8.91
1978	10,223,000	7.56
1977	9,241,000	6.88
1976	8,776,000	6.53

Income Account *

Year ended Sept. 30	1980	1979
Net sales	$ 30,020,000	$ 22,793,000
Cost of sales	15,853,000	11,337,000
Expenses	10,075,000	8,297,000
Interest expense	833,000	702,000
Other income	(282,000)	(480,000)
Income before taxes	$ 3,541,000	$ 2,937,000
Income taxes	1,567,000	1,195,000
Eq. in loss of subsid.	(289,000)	333,000
Income from cont. oper.	$ 2,263,000	$ 1,409,000
Income (loss) from cont. oper.	(395,000)	449,000
Net Income	$ 1,868,000	$ 1,858,000

* Included in Costs and Expenses, Depreciation and Amortization: $708,000 in 1980 and $455,000 in 1979.

Assets

As of Sept. 30	1980	1979
Cash & cash equiv.	$ 3,621,000	$ 2,145,000
Receiv., net	5,905,000	5,564,000
* Inventories	4,892,000	3,194,000
Prepaid expenses	271,000	249,000
Assets of discont. oper.	—	3,067,000
Current Assets	$ 14,689,000	$ 14,219,000
# Fixed assets	3,717,000	3,493,000
Notes receivable	966,000	1,075,000
Other assets	502,000	442,000
Eq. in subsidiary	501,000	1,282,000
Intangibles	4,629,000	4,721,000
Assets of discont. oper.	—	876,000
Total Assets	$ 25,004,000	$ 26,108,000

Liabilities

Long-term debt, curr.	$ 473,000	$ 451,000
Accts. payable	3,274,000	2,251,000
Accruals	2,850,000	2,228,000
Accrued inc. taxes	884,000	1,224,000
Deferred contract revenue	951,000	791,000
Curr. Liabilities	$ 8,432,000	$ 6,945,000
Long-term debt	5,714,000	6,788,000
Deferred taxes	534,000	262,000
+ Common stock	1,023,000	1,360,000
Add. paid-in capital	3,524,000	3,369,000
Retained earnings	5,777,000	7,384,000
Total Liabilities & Shareholders' Equity	$ 25,004,000	$ 26,108,000

* At lower of cost (FIFO) or market.

# Less accumulated depreciation and amortization.

+ $1 stated value.

Statistical Summary

% Net Income to Equity	18.09	15.34
Working Capital	$ 6,257,000	$ 7,274,000
Current Ratio	1.74	2.05
Shareholders' Equity	$ 10,324,000	$ 12,113,000

Tech-Sym Corporation

6430 Richmond Avenue, Suite 460
Houston, Texas 77057
(713) 785-7790

Officers: Wendell W. Gamel, chairman of the board & president; Henry H. Leigh, vice president; Robert E. Moore, v.p., secretary & general counsel; Ray F. Thompson, treasurer & controller.

Directors: Keith R. Beeman, Wendell W. Gamel, Marvin H. Greenwood, Henry H. Leigh, Robert E. Moore, Walter B. Putnam, Joal A. Teresko, Charles C. Webb.

Divisions and Subsidiaries:

Trak Microwave Corporation
4726 Eisenhower Boulevard
Tampa, Florida 33614

Manufacturer of microwave integrated circuits (video, intermediate frequency and microwave amplifiers, very stable oscillators, microwave transmitters) and microwave ferrite isolators and circulators; microwave energy sources, automatic weighing and measuring sytems, a major portion of a laser tracking level, timing equipment and systems and specialty computer components and systems.

Metric Systems Corporation
736 North Beal Street
Fort Walton Beach, Florida 32548

Produces military electronics, industrial and commercial data interface, monitoring and data processing. Military electronic products include timing terminals,the IRIG Time Reader, real time interface systems, meteorological date processing systems, and other computer oriented systems. Produces monitoring and controls products and systems for paper mill boiler operations, paper production and electric power companies. Has developed a microprocessor, a small scale digital computer designed around a central integrated circuit. The Aeromechanics Division of Metric Systems Corporation is a supplier of materials and equipment for the domestic military transportation market; products include aerial delivery equipment.

All Woods/Schroeder, Inc.
5401 Lawndale Avenue
Houston, Texas 77023

Importer and wholesaler of hardwood mouldings serving the central and southwestern United States. Offers a full line of mouldings for home builders and custom parts for furniture and kitchen cabinet manufacturers. Imports and wholesales air-dried and kiln-dried furniture squares and dimension stock for furniture manufacturers. Offers other importers custom kiln drying and milling services.

Lake Investment Company
401 United Bank Building
3550 North Central Avenue
Suite 401
Phoenix, Arizona 85012

Real estate subsidiary.

Transfer Agent(s):

First City National Bank of Houston
Stock Transfer Section
Two Houston Center, Suite 750
Houston, Texas 77002

Tech-Sym Corporation

The Chase Manhattan Bank, N.A.
Agency Administration
1 New York Plaza, 15th Floor
New York, New York 10081

Stock Exchange(s): American

Ticker Symbol: TSY

Sales and Earnings

	Net Sales	Net Income +
1980	$ 35,803,000	$ 759,000
1979	40,376,162	2,332,445
1978	30,416,333	1,321,823
1977	19,211,598	1,078,000
1976	14,117,869	(852,000)

	No. of Com. Shares	Earn. per Share +
1980	4,618,681	$0.16
1979	4,541,408	0.50
1978	4,509,592	0.28
1977	4,457,306	0.22
1976	4,612,856	—

(Loss)

+ Including extraordinary gains of $533,000 ($0.12 per share) in 1979, $490,000 ($0.10 per share) in 1978 and $491,000 ($0.10 per share) in 1977.

Revenues By Line of Business

Electronics	$ 14,895,000	$ 16,169,000
Aeromechanics	7,631,000	6,221,000
Building materials	12,148,000	15,385,000
Real Estate	1,129,000	2,589,000
Corporate	—	12,000
Total	$ 35,803,000	$ 40,376,000

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 15,363,183	$3.28
1979	14,520,640	3.16
1978	12,159,539	2.66
1977	10,533,472	2.33

Income Account *

Year ended Dec. 31	1980	1979
Net Sales	$ 35,803,231	$ 40,376,162
Cost of sales	28,886,843	32,423,373
Expenses	5,195,183	4,763,939
Prod. develop. costs	126,567	58,471
Interest expense	991,906	970,215
Other income	(482,850)	(401,281)
Income bef. taxes	$ 1,085,582	$ 2,561,445
Charge in lieu of income taxes	327,000	762,000
Net Income	$ 758,582	$ 1,799,445
Extraord. gain	—	533,000
Net Income & extraord. gain	$ 758,582	$ 2,332,445

* Included in Costs and Expenses, Depreciation, Depletion and Amortization: $683,164 in 1980 and $657,307 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 952,500	$ 1,688,172
Receiv., net	4,547,932	3,008,152
Unbilled revenue	6,649,048	5,613,664
* Inventories	6,238,517	6,712,035
Prepaid expenses	403,708	356,510
Current Assets	$ 18,791,705	$ 17,378,533
Other assets	705,502	655,092
Receivable	2,599,983	2,681,288
# Fixed assets	6,158,567	4,814,771
Prop. held for resale	988,766	1,163,116
Total Assets	$ 29,244,523	$ 26,692,800

Liabilities

Long-term debt, curr.	$ 3,004,698	$ 936,003
Accts. payable	2,177,953	2,135,161
Accruals	1,320,311	1,768,007
Back acceptances	2,056,000	3,307,000
Current Liabilities	$ 8,558,962	$ 8,146,171
Long-term debt	4,267,890	3,106,987
Deferred commissions & other liabilities	983,397	820,796
Deferred income	71,091	98,206
+ Common stock	490,414	490,393
Add. paid-in capital	13,557,227	13,529,419
Retained earnings	1,523,440	764,858
Treasury stock	(207,898)	(264,030)
Total Liabilities & Shareholders' Equity	$ 29,244,523	$ 26,692,800

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and depletion.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.03	6.34
%Net Income to Sales	2.12	4.46
%Net Income to Equity	4.94	12.39
Sales to Inventories	5.74	6.02
Working Capital	$ 10,232,743	$ 9,232,362
Current Ratio	2.20	2.13
Shareholders' Equity	$ 15,363,183	$ 14,520,640

Techtran Industries, Inc.

200 Commerce Drive
Rochester, New York 14623
(716) 271-7953

Officers: David L. Decker, president; Gilbert L. Budd, exec. v.p. & treasurer; Stanley R. Kneppar, v.p.-operations & secretary; Robert L. Wagner, president, A.D. Data Subsidiary.

Directors: David L. Decker, Gilbert L. Budd, Stanley R. Kneppar, Francis H. Trombly, Jr.

Areas of Work: Manufactures digital cassette and disc recording equipment, datalogging and electronic switching systems.

Subsidiaries:

A.D. Data Systems, Inc.
Designs and manufactures datalogging and site monitoring systems.

Transfer Agent(s):

Security Trust Co.
One East Avenue
Rochester, New York 14604

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 6,204,964	$ 258,100
1979	4,550,778	140,362
1978	3,096,088	89,352
1977	2,279,861	65,606
1976	1,911,082	122,423

	No. of Com. Shares	Earn. per Share ‡
1980	762,065	$0.57
1979	428,885	0.33
1978	426,045	0.21
1977	424,585	0.17
1976	375,160	0.33

‡ Including extraordinary gain of $37,600 ($0.10 per share) in 1976.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 3,070,688	$4.03
1979	1,035,659	2.41
1978	892,615	2.10
1977	802,075	1.89
1976	584,239	1.56

Income Account *

Year ended Aug. 31	1980	1979
Net revenues	$ 6,204,964	$ 4,550,778
Other income	32,319	15,635
Total income	$ 6,237,283	$ 4,566,413
Cost of sales & serv.	3,894,021	3,053,738
Expenses	1,516,994	1,026,658
Research & devel.	141,210	100,762
Interest expense	173,863	130,128
Profit sharing	75,000	60,000
Income before taxes	$ 436,195	$ 195,127
Income taxes	178,095	54,765
Net Income	$ 258,100	$ 140,362

* Included in Costs and Expenses, Depreciation: $59,491 in 1980 and $48,356 in 1979.

Assets

As of Aug. 31	1980	1979
Cash	$ 1,244,512	$ 188,505
Short-term invest.	983,289	—
Accts. receiv., net	1,186,338	1,066,003
* Inventories	1,177,150	1,036,877
Prepaid expenses	16,288	15,016
Refundable inc. taxes	—	35,891
Current Assets	$ 4,607,577	$ 2,342,292
# Fixed assets	688,899	558,747
Other assets	—	88,000
Total Assets	$ 5,296,476	$ 2,989,039

Liabilities

Long-term debt, curr.	$ 141,000	$ 121,900
Accts. payable	595,531	649,050
Accruals	211,015	134,929
Accrued payroll	48,793	30,395
Accrued inc. taxes	60,068	705
Curr. Liabilities	$ 1,056,407	$ 936,979
Deferred inc. taxes	53,700	24,700
Long-term debt	1,115,681	991,701
+ Common stock	7,620	4,288
Add paid-in capital	2,445,324	671,727
Retained earnings	617,744	359,644
Total Liabilities & Shareholders' Equity	$ 5,296,476	$ 2,989,039

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Revenues	7.03	4.29
%Net Income to Revenues	4.16	3.08
%Net Income to Equity	8.41	13.55
Working Capital	$ 3,551,170	$ 1,405,313
Current Ratio	4.36	2.50
Shareholders' Equity	$ 3,070,688	$ 1,035,659

Tektronix, Inc.

P.O. Box 500
Beaverton, Oregon 97077
(503) 644-0161

Officers: Howard Vollum, chairman of the board; Earl Wantland, president & chief executive officer; William D. Walker, executive v.p.; Lawrence L. Mayhew, Lewis C. Kasch, William J. Polits, Lawrence Choruky, group v.p.'s; Francis Doyle, Don A. Ellis, John L. Landis, William B. Velsink, Charles Frost, vice presidents; R. Allan Leedy,Jr., secretary & general counsel; N. Eric Jorgensen, asst. secretary; Kenneth H. Knox, treasurer; William Robinson, controller; Eric Jorgensen, Ed Lewis, asst. secretaries.

Directors: Howard Vollum, chairman; James B. Castles, Louis B. Perry, Earl Wantland, Frank M. Warren, John D. Gray, William D. Walker.

Areas of Work: Designs, manufactures and markets a wide variety of electronic display and measurement equipment, the most important of which are precision cathode ray oscilloscopes. Also included are spectrum analyzers, signal generators, logic analyzers, microprocessor development tools, digital measurement equipment, automated measurement systems, specialized instruments for the television industry, display monitors, graphic computer terminals, and various related products.

Subsidiaries:

Tektronix Australia Pty.Ltd.
Sydney, Melbourne, Adelaide & Perth, Australia

Rohde & Schwarz-Tektronix GmbH (50% owned)
Vienna, Austria

Tektronix S.A.
Brussels, Belgium

Tektronix Canada Ltd.
Barrie & Ontario, Canada

Tektronix A/S
Copenhagen, Denmark

Tektronix France
Paris, France

Tektronix GmbH
Cologne, West Germany

Tektronix Holland N.V.
Badhoevedorp, The Netherlands

Tektronix Datatek N.V.
Badhoevedorp, The Netherlands

Tektronix International, Inc.
Amstelveen, The Netherlands

Sony/Tektronix Corporation (50% owned)
Tokyo, Japan

Tektronix AB
Stockholm & Gothenburg, Sweden

Tektronix International AG
Zug & Geneva, Switzerland

Tektronix U.K. Ltd.
Harpenden, Herts, England

Branch of Tektronix U.K. Ltd.
Dublin, Ireland

The Grass Valley Group, Inc.
Grass Valley, California

Tektronix Norge A/S
Oslo, Norway

Tektronix Oy
Helsinki, Finland

Tektronix-Industria e Commercio Ltda.
Rio de Janeiro & Sao Paulo, Brazil

Tektronix Guernsey Limited
Channel Island of Guernsey

Tektronix Sa. de C.V. (49% owned)
Mexico City, Mexico

Tektronix S.P.A.
Milan, Rome and Turin, Italy

Tektronix Espanola S.A.
Madrid & Barcelona,Spain

Transfer Agent(s):

United States National Bank of Oregon
Portland, Oregon

Morgan Guaranty Trust Company
New York, New York

Stock Exchange(s): New York, Pacific

Ticker Symbol: TEK

Number of Employees:

1980	23,890	1977	14,637
1979	21,291	1976	12,970
1978	19,147		

Plant Footage:

1980	5,921,000 sq.ft.	1977	3,906,000
1979	4,935,000	1976	3,705,000
1978	3,987,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 971,306,000	$ 85,072,000
1979	786,936,000	77,151,000
1978	598,886,000	56,846,000
1977	454,958,000	43,971,000
1976	366,645,00	30,089,000

	No. of Com. Shares †	Earn. per Share #
1980	18,372,000	$4.66
1979	18,143,000	4.28
1978	17,913,000	3.19
1977	17,675,000	2.49
1976	17,585,000	1.71

† Adjusted to reflect stock split.
# Based on the average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1980 (000's)	%	1979 (000's)	%
Test & measurement products	752,060	74%	606,795	77%
Information display products	249,246	26	180,141	23
Total	971,306	100%	786,936	100%

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1980	$0.79 —	—	—
1979	0.48 —	—	—
1978	0.60 —	—	—
1977	0.225	—	2-for-1
1976	0.12 —	—	—

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 483,338,000	$26.46
1979	402,800,000	22.20
1978	326,696,000	18.24
1977	274,122,000	15.51
1976	232,003,000	13.19

† Adjusted to reflect stock split.

Income Account *

Year ended	5/31/80	5/26/79
Net sales	$ 971,306	$ 786,936
Cost of sales	458,464	359,740
Expenses	364,993	305,745
Interest expense	15,956	6,428
Other income	(5,029)	(11,631)
Income before taxes	$ 136,922	$ 126,651
Income taxes	51,850	49,500
Net Income	$ 85,072	$ 77,151

* Included in Costs and Expenses, Depreciation: $30,303,000 in 1980 and $21,258,000 in 1979.

Assets
(000's)

As of	5/31/80	5/26/79
Cash	$ 57,145	$ 41,788
Accts. receiv.	200,091	155,320
Allowance for doubtful accts.	(2,022)	(1,752)
* Inventories	263,563	214,533
Prepaid expenses	22,140	18,898
Current Assets	$ 510,917	$ 428,787
Investments & other assets	24,005	19,666
# Fixed assets	276,771	194,454
Total Assets	$ 841,693	$ 642,907

Liabilities
(000's)

Notes payable	$ 45,809	$ 28,997
Accts. payable	49,034	42,033
Accrued payroll	37,620	29,970
Prof. sh. plan	33,964	31,691
Income taxes	27,404	20,444
Curr. Liabilities	$ 193,831	$ 153,135
Long-term debt	136,196	62,094
Other liabilities	4,354	5,728
Deferred inc. taxes	23,974	19,150
+ Common stock	41,844	31,950
Reinvested earnings	441,494	370,850
Total Liabilities & Shareholders' Equity	$ 841,693	$ 642,907

* At lower of cost of market. (Parent co. at LIFO; Subsidiary at FIFO).
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	14.10	16.09
%Net Income to Sales	8.76	9.80
%Net Income to Equit	17.60	19.15
Sales to Inventories	3.69	3.67
Working Capital	$ 347,086,000	$ 275,652,000
Current Ratio	2.79	2.80
Shareholders' Equity	$ 483,338,000	$ 402,800,000

Teledyne, Inc.

1901 Avenue of the Stars
Los Angeles, California 90067
(213) 277-3311

Officers: Henry E. Singleton, chief executive officer & chairman of the board; George A. Roberts, president; A.V. Holmlund, Frederick A. Kaufman, Leo W. Killen, Barry J. Shillito, G. Williams Rutherford, W.W. Sick, Jr., Jerrold V. Jerome, vice presidents; Charles E. Rinsch, vice president, treasurer & secretary.

Directors: Henry E. Singleton, chairman; George Kozmetsy, George A. Roberts, Arthur Rock, Claude E. Shannon, William W. Shannon.

Areas of Work: Industrial products and services include the manufacture of air and water-coolod gasoline and diesel engines, machinery and related tooling used in virtually every manufacturing industry; instruments and services for seismology, oceanography, meterology, pollution monitoring, rock and soil mechanics, and structural dynamics; molded rubber pro-

Teledyne, Inc.

ducts; instruments and services for the detection, monitoring and analysis of radioactive materials, and thermoelectric generators for space and terrestrial use.

Aviation and electronics products include piston engines for the general aviation industry; small turbojet engines for use in manned and unmanned aircraft, and turbojet-powered missiles. Engaged in the design and fabrication of unmanned remotely piloted aircraft. Products made for commercial, military and general aviation aircraft include batteries, avionic devices and instrumentation, hydraulic fittings and hydraulic and pneumatic actuating systems, explosive-energy actuating devices an emergency aircraft escape systems. Electronic activities include the manufacture of solid-state semiconductor components ranging from individual semiconductor integrated circuits through larger micro-electronic assemblies; other electronic components include traveling wave tubes and amplifiers, related microwave components, wire, cable harnesses and hardware. Designs, develops and manufactures complete electronic systems for navigation, guidance, control, reconnaissance information processing, electronic counter measures, computing, automation, monitoring, communications, radiolaction and telemetry.

Produces specialty metal alloys that have precise metallurgical properties for use in various critical applications; zirconium, hafnium, tantalum, molybdenum, vanadium, titanium. Specializes in the development and production of high speed and alloy steels for tools, dies bearings, gears and specialized aerospace hardware. Also produces double vacuum-melted superalloys and sintered carbides and tungsten and other metals. Reduces various ferrous and nonferrous alloys to finished forms.

Consumer product activities include the manufacture of "Water Pik" oral hygiene devices and shower heads. Olson Electronics operates a chain of 80 stores in 15 states and a mail-order service for the retailing of electronically oriented products to the consumer for home use. Teledyne Service Company has centers in 16 states for the servicing of electronic home entertainment products and appliances. Other consumer activities include the manufacture of AR speakers by Teledyne Acoustic Research. Teledyne Laars manufactures swimming pool heaters and other equipment to heat buildings and supply hot water for commercial users. Dental equipment, instruments and consumable products are also manufactured. Argonaut Insurance Company and Teledyne's other casualty insurance companies write a broad line of insurance including workmen's compensation, liability, automobile and fire insurance. Unicoa Corporation, 95% owned by Teledyne, writes life and health and accident insurance. Fireside Thrift, a consumer finance company, operates in the states of California and Hawaii.

Divisions and Subsidiaries:

Teledyne Acoustic Research
10 American Drive
Norwood, Massachusetts 02062

Teledyne Analytical Instruments
333 West Mission Drive
San Gabriel, California 91776

Teledyne Battery Products
840 West Brockton
Redlands, California 91373

Teledyne Brown Engineering
Cummings Research Park
Huntsville, Alabama 35807

Teledyne Camera Systems
131 North Fifth Avenue
Arcadia, California 91006

Teledyne Controls
200 North Aviation Boulevard
El Segundo, California 90245

Teledyne Crittenden
13011 South Spring Street
Los Angeles, California 90061

Teledyne Crystalonics
147 Sherman Street
Cambridge, Massachusetts 02140

Teledyne Electronics
649 Lawrence Drive
Newbury Park, California 91320

Teledyne Geotech
3401 Shiloh Road
Garland, Texas 75041

Teledyne Hydra-Power
10-12 Pine Court
New Rochelle, New York 10801

Teledyne Inet
711 West Knox Street
Gardena, California 90248

Teledyne Kinetics
410 South Cedros Avenue
Solana Beach, California 92075

Teledyne MEC
3165 Porter Drive
Stanford Industrial Park
Palo Alto, California 94304

Teledyne Engineering Services
303 Bear Hill Road
Waltham, Massachusetts 02154

Teledyne McCormick Selph
3601 Union Road
Hollister, California 95023

Teledyne Mecca
5919 Jessamine
Houston, Texas 77036

Teledyne Mironetics
7155 Mission Gorge Road
San Diego, California 92120

Teledyne Microwave
1290 Terra Bella Avenue
Mountain View, California 94043

Teledyne Philbrick
Allied Drive at Route 128
Dedham, Massachusetts 02026

Teledyne Relays
3155 West El Segundo Boulevard
Hawthorne, California 90250

Teledyne Ryan Aeronautical
2701 Harbor Drive
San Diego, California 92112

Teledyne Semiconductor
1300 Terra Bella Avenue
Mountain View, California 94043

Teledyne Systems
19601 Nordhoff Street
Northridge, California 91524

Teledyne TAC
10 Forbes Road
Woburn, Massachusetts 01801

Teledyne Taber
455 Bryant Street
North Tonawanda, New York 14120

Teledyne Telmetry
1901 South Bundy Drive
Los Angeles, California 90025

Teledyne Thermatics
P.O. Box 909
Elm City, North Carolina 27822

Transfer Agent(s):

Bank of America N.T. & S.A.
Corporate Agency—Service Center
P.O. Box 37002
San Francisco, California 94137

United States Trust Company of New York
45 Wall Street
New York, New York 10005

Stock Exchange(s): New York, Pacific

Ticker Symbol: TDY

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 2,926,419	$ 343,797
1979	2,705,600	371,960
1978	2,441,629	248,503
1977	2,209,731	194,783
1976	1,937,556	136,799

	No. of Com. Shares ‡	Earn. per Share ‡
1980	22,564,756	$15.24
1979	25,278,057	14.71
1978	26,377,274	9.40
1977	26,514,275	7.28
1976	28,390,674	4.75

‡ Based on the weighted average number of common shares and common share equivalents outstanding, adjusted to reflect stock dividends and stock splits.

Revenues By Line of Business
(000's)

	1980	1979
Industrial	$ 1,017,034	$ 936,356
Aviation & electronics	726,760	642,617
Specialty metals	898,576	841,246
Consumer & other	284,049	285,381
Total	$ 2,926,419	$ 2,705,600

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	5-for-4 & 3-for-2 +
1979	—	8½%	—
1978	—	10%	—
1977	—	3%	—
1976	—	3%	—

+ To be distributed Mar., 1981.

Common Stock Equity

	Total Equity	Equity Per Share #
1980	$1,401,342,000	$62.10
1979	1,275,406,000	50.46
1978	875,357,000	33.19

# Based on the weighted average number of common shares and common share equivalents outstanding, adjusted to reflect stock dividends and stock splits.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 2,926,419	$ 2,705,600
Cost of sales	2,167,720	1,995,643
Expenses	356,243	319,026
Interest expense	21,505	12,505
Interest income	(27,783)	(22,689)
Income before taxes	$ 408,734	$ 401,115
Income taxes	194,200	193,800
Minority interest	(129,263)	(164,645)
Net Income	$ 343,797	$ 371,960

* Included in Costs and Expenses, Depreciation and Amortization: $78,851,000 in 1980 and $67,408,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 49,557	$ 42,875
Marketable securities	187,426	213,022
Receiv., net	360,971	323,181
* Inventories	170,499	163,163
Prepaid expenses	5,982	5,369
Current Assets	$ 774,435	$ 747,610
Investments	1,419,765	936,484
# Fixed assets	325,130	308,254
Other assets	32,926	34,849
Total Assets	$ 2,552,256	$ 2,027,197

Liabilities
(000's)

Long-term debt, curr.	$ 19,684	$ 20,774
Accts. payable	121,691	122,778
Accruals	206,719	202,145
Income taxes	51,500	62,000
Curr. Liabilities	$ 399,594	$ 407,697
Long-term debt	619,752	243,617
Def. income taxes	110,000	90,000
Other liabilities	21,568	10,477
+ Common stock	32,340	32,340
Add. paid-in capital	523,948	607,795
Retained earnings	1,380,204	1,036,543
Equity in unrealized apprec. in marketable sec. of uncons. subs.	243,600	68,301
Treasury stock	(778,750)	(469,573)
Total Liabilities & Shareholders' Equity	$ 2,552,256	$ 2,027,197

* At lower of cost (FIFO and LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.97	14.83
%Net Income to Sales	11.75	13.75
%Net Income to Equity	24.53	29.16
Sales to Inventories	17.16	16.58
Working Capital	$ 374,841,000	$ 339,913,000
Current Ratio	1.94	1.83
Shareholders' Equity	$1,401,342,000	$1,275,406,000

Teleflex Incorporated

155 South Limerick Road
Limerick, Pennsylvania 19468
(215) 948-5100

Officers: L.K. Black, president & chief executive officer; John H. Remer, sr. v.p.; John J. Sickler, v.p. & chief financial officer; Ira Albom, v.p. & gen. mgr., Aerospace; David S. Boyer, v.p. & gen. mgr., Automotive; Thomas A. Coneys, v.p.-Applied Polymers Group; Roy C. Carriker, v.p. & gen. mgr., SermeTel Incorporated; Charles W. Shiver, v.p. & gen. mgr., Marine/Industrial, John F. Schoenfelder, secretary & treasurer.

Directors: John H. Remer, Harry T. Devine, L.K. Black, John J. Sickler, Lewis E. Hatch, Jr., Pemberton Hutchinson, Robert K. Farrington, Palmer E. Retzlaff, Donald Beckman.

Areas of Work: Specialized mechanical, electromechanical, and hydraulic control systems including steering, engine controls, and cable linkages for aircraft, space vehicles, commercial ships and vehicular industries. Measurement and control systems for nuclear and chemical reactors, industrial processes, and other hostile atmospheres. Custom designed mechanical wire and cable controls including accelerators and cruise controls, hood releases, transmission and shift controls, disappearing tailgate window regulator system, heater, vent, and air conditioning controls, brake release controls, seat-back latches, and sunroof helical cable assemblies for automotive and motor truck industries. Engine control systems, electrical instrumentation systems, cables, and wiring harnesses for buses, trucks, industrial and leisure vehicles. Mechanical steering systems, engine control systems and cables, electrical intrumentation systems and wiring harnesses for pleasure marine industry. SermeTel inorganic corrosion resistant coatings and processes, ceramic compounds, and composites for aerospace, electronic, and industrial markets. Highly engineered fluoroplastic products including smooth wall and convoluted tubing, sleeving, and conduit, shapes, profile, custom linings and lined products, braided hose, custom wire products, rod and beading, and heat shrinkables for aerospace, automotive, industrial, medical and electronic applications.

Operation & Subsidiaries:

Technical Products and Services

Teleflex Aerospace
Church Road North
Wales, Pennsylvania 19454

Hoover Electric Company
2100 South Stoner Avenue
Los Angeles, California 90025
(231) 272-3125

Divisions and Subsidiaries:

Hutson Aerospace, Inc.
3500 South Cooper
Arlington, Texas 76015
(816) 467-4927

Teleflex Applied Polymers Group
30 Knight Road
Jaffrey, New Hampshire 03452
(603) 532-8737

Teleflex Fluid Systems
Progress Industrial Park
506 Hayden Station Road
Windsor, Connecticut 06095
(203) 633-0745

Teleflex Fluoroplastics
847 Route 10
Randolph, New Jersey 07869
(201) 584-4400

Teleflex Medical
30 Knight Road
Jaffrey, New Hampshire 03452
(603) 532-8737

Teleflex Surprenant
Old Turnpike Road
Jaffrey, New Hampshire 03452
(603) 532-7706

SermeTel Incorporated
International Headquarters and Processing Plant
155 South Limerick Road
Limerick, Pennsylvania 19468
(211) 948-5100

8827 Newey Circle
Midwest City, Oklahoma 73110
(405) 732-1392

5426 West Rosecrans Avenue
Lawndale, California 90260
(213) 972-1142

Progress Industrial Park
564 Hayden Station Road
Windsor, Connecticut 06095
(203) 683-0711

SermeTel GmbH
Weilenburg-Strasse 49
5682 Heiligenhaus
Dusseldorf, Germany

SermeTel (U.K.) Limited
High Holborn Road, Codnor
Ripley, Derbyshire
England DE5 3NW

Heurchrome S.A.
176, Rue d'Estienne-d'Orves
Colombes, France

Commercial Products:

Teleflex Automotive
2530 Industrial Row
Troy, Michian 48084
(313) 280-0620

1265 Industrial Avenue
Van Wert, Ohio 45891
(419) 238-0070

Capro, Inc.
2210 North Frazier
Conroe, Texas 77301
(713) 756-8111

Teleflex Marine/Industrial
640 North Lewis Road
Limerick, Pennsylvania 19468
(215) 495-7011

1816 57th Street
Sarasota, Florida 33580
(813) 355-7720

Merriman/Yacht Specialties, Inc.
301 Olive Street
Grand River, Ohio 44045
(216) 352-8988

Teleflex (Canada) Limited
1650 West Second Avenue
Vancouver, British Columbia
Canada V6J 1H4

Transfer Agent(s):
The Chase Manhattan Bank, N.A.
1 Chase Manhattan Place
New York, New York 10005

Stock Exchange(s): American

Ticker Symbol: TFX

Sales and Earnings

	Net Sales	Net Income
1980	$ 78,501,100	$ 4,758,900
1979	66,790,500	3,872,200
1978*	54,844,600	2,668,400
1977	47,670,300	1,768,500
1976	41,777,600	1,188,100

	No. of Com. Shares ‡	Earn. per Share ‡
1980	3,031,000	$1.57
1979	2,998,000	1.29
1978	2,964,000	0.90
1977	2,840,000	0.62
1976	2,784,000	0.43

* 53 weeks.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock splits.

Revenues By Line of Business

	1980	1979	1978	1977
Commercial products	43%	57%	68%	70%
Technical products & services	57	43	32	30
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.26	—	2-for-1
1979	0.20	—	—
1978	0.14	—	2-for-1
1977	0.09	—	—
1976	—	5%	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 23,782,200	$7.92
1979	19,053,400	6.70
1978	15,571,500	5.57
1977	12,897,000	4.79
1976	11,285,900	4.25

† Adjusted to reflect stock splits.

Teleflex Incorporated

Income Account *

Year ended	12/28/80	12/30/79
Net sales	$ 78,501,100	$ 66,790,500
Cost of sales	52,065,400	46,068,800
Expenses	16,655,800	14,335,400
Interest expense	1,640,000	1,220,400
Other income	(519,000)	(2,056,300)
Income before taxes	$ 8,658,900	$ 7,172,200
Income taxes	3,900,000	3,300,000
Net Income	$ 4,758,900	$ 3,872,200

* Included in Costs and Expenses, Depreciation and Amortization: $1,981,900 in 1980 and $1,540,200 in 1979.

Assets

As of	12/28/80	12/30/79
Cash	$ 353,200	$ 1,056,000
Short-term invest.	1,105,000	2,901,000
Accts. receiv., net	15,346,800	10,049,600
*Inventories	20,902,200	15,586,100
Prepaid expenses	264,200	321,200
Current Assets	$ 37,971,400	$ 29,913,900
# Fixed assets	14,658,000	11,511,000
Other assets	1,470,700	1,824,800
Total Assets	$ 54,100,100	$ 43,250,600

Liabilities

Demand loans	$ 1,500,000	$ —
Accts. payable	6,414,000	4,982,500
Cap. lease oblig., curr.	1,293,700	734,200
Accruals	4,311,000	2,980,800
Income taxes	762,300	1,666,700
Curr. Liabilities	$ 14,281,000	$ 10,364,200
Long-term debt	13,468,000	11,293,400
Cap. lease oblig.	1,520,000	1,593,600
Deferred inc. taxes	1,048,000	946,000
+ Common stock	6,341,100	5,594,100
Retained earnings	17,441,100	13,459,300
Total Liabilities & Shareholders' Equity	$ 54,100,100	$ 43,250,600

* At lower of average cost or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	11.03	10.74
%Net Income to Sales	6.06	5.80
%Net Income to Equity	20.01	20.32
Sales to Inventories	3.78	4.29
Working Capital	$ 23,690,400	$ 19,549,700
Current Ratio	2.66	2.89
Shareholders' Equity	$ 23,782,200	$ 19,053,400

TeleSciences, Inc.

351 New Albany Road
Moorestown, New Jersey 08057
(609) 235-6227

Officers: Fred Cohen, president & chairman of the board; Seymor Hemes, exec. v.p., secretary & treasurer; Joseph B Connell, sr. v.p.-International Operations; Joseph Murgio, sr. v.p.-Systems & Technology; Stephen M. Fillebrown, v.p.-Station Products Engineering; George Daly, v.p.-manufacturing; James Shelley, v.p.-domestic marketing; E.A. Summers, sr. v.p.- Telco Products; Henry Hutto, v.p.-integrated systems.

Directors: Fred Cohen, chairman; Seymor Hemes, Fred B. Levin, John G. Riddell, Frederic H. Cohen.

Divisions:

Telco Products
Designs and engineers computer-based telephone support systems including billing, traffic/maintenance, and directory assistance systems.

TeleSciences Computer Systems, Inc
TeleSciences Data Systems, inc.
Automatic Production Systems, Inc.

Station Products
Designs and engineers station equipment including Private Automatic Branch Exchange (PABX) and Automatic Call Distributor (ACD).

International Operations
Markets all TeleSciences products outside of the Unied States and Canada.

Transfer Agent(s):

The Bank of New York
New York, New York

Stock Exchange(s): American

Ticker Symbol: TSC

Number of Employees:

1979	500	1977	330
1978	425		

Plant Footage:

1979	98,100 sq. ft.	1977	61,300
1978	89,700	1976	61,250

Sales and Earnings

	Net Sales	Net Income
1980	$ 22,830,701	$ (1,686,441)
1979	32,711,634	3,895,213
1978	28,520,594	4,321,680
1977	22,855,931	3,303,579
1976	18,057,757	2,345,805

	No of Com. Shares	Earn. per Share #
1980	3,188,006	$ —
1979	3,184,906	1.20
1978	3,165,693	1.35
1977	3,100,597	1.05
1976	3,100,064	0.75

(Loss)
# Based on weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 19,205,617	$6.02
1979	20,858,301	6.55
1978	18,636,238	5.89
1977	15,392,120	4.96
1976	13,223,513	4.27

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 22,830,701	$ 32,711,634
Cost of sales	21,552,529	22,070,737
Expenses	$ 4,824,949	$ 3,919,689
Other income	(165,336)	(194,605)
Income (loss) before taxes	$ (3,381,441)	$ 6,915,813
Income taxes (credit)	(1,695,000)	3,020,600
Net Income (Loss)	$ (1,686,441)	$ 3,895,213

* Included in Costs and Expenses, Depreciation and Amortization: $950,733 in 1980 and $725,432 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 159,642	$ 1,582,465
Accts. receiv., net	6,473,163	8,400,140
* Inventories	12,942,349	10,709,698
Refundable income taxes	1,675,500	—
Prepaid expenses	608,743	402,217
Current Assets	$ 21,859,396	$ 21,094,520
# Fixed assets	4,308,570	3,678,885
Other assets	1,839,624	1,710,206
Total Assets	$ 28,007,590	$ 26,483,611

Liabilities

Notes payable	$ 3,400,000	—
Accts. payable	3,265,040	2,952,203
Accruals	1,195,433	1,368,414
Income taxes	—	384,593
Curr. Liabilities	$ 7,860,473	$ 4,705,210
Deferred inc. taxes	641,500	620,100
Deferred comp.	300,000	300,000
+ Common stock	318,800	318,490
Add. paid-in capital	6,976,547	6,943,100
Retained earnings	11,910,270	13,596,711
Total Liabilities & Shareholders' Equity	$ 28,007,590	$ 26,483,611

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	21.14
%Net Income to Sales	—	11.91
%Net Income to Equity	—	18.67
Sales to Inventories	176	3.05
Working Capital	$ 13,998,923	$ 16,389,310
Current Ratio	2.78	4.48
Shareholders' Equity	$ 19,205,617	$ 20,858,301

The Telex Corporation

P.O. Box 1526
6422 E. 41st Street
Tulsa, Oklahoma 74101
(918) 627-2333

Officers: S.J. Jatras, president; Ansel Kleiman, group vice president; J.B. Bailey, v.p.-general counsel & secretary; E.G. Frank, v.p.-finance, treasurer & controller; Serge Novovich, asst. secretary; Wayne J. Kindrick, David E. Gannon, asst. treasurers; Bhrent Waddell, asst. controller.

Directors: R. W. Allen, R.H. Hughes, S.J. Jatras, Frank E. Cochran, Howard Upton, Leonard R. Silver, Thomas N. Word.

Operating Groups:

Telex Computer Products, Inc.
6422 E. 41st Street
Tulsa, Oklahoma 74135
(918) 627-1111

Products include disk pack drive systems, magnetic tape drives and systems, train printer systems, memory subsystems communication controllers, computer terminals, oscillograph recording systems, and galvanometers, fabricated and machined products and contract manufacturing.

Telex Communications, Inc.
9600 Aldrich Avenues
Bloomington, Minnesota 55420
(612) 884-4051

Products include aircraft high fidelity stereo devices, cartridge players and recorders, tape duplicating systems, reel-to-reel tape recorders and players, hearing aids, microphones, headsets, radio phonographs, high fidelity components, dynamic transducers, military tape recorders, and terminal recording devices and air navigation mechanical computers and plotters.

Divisions:

Telex Computer Products, Inc.:
  Peripherals Division
  Metal Products Division
  Midwestern Instruments Divisions
  Telex Service Company
    Tulsa, Oklahoma
  Telex Terminal Communications Division
    Raleigh, N.C.
  General Computer Systems Division
    Dallas, TX
  Telex Communications, Inc.
  Hy-Gain Division
    Lincoln, Nebraska
  Turner Division

Transfer Agent(s):

First National Bank of Boston
Boston, Mass.

Stock Exchange(s): New York, Pacific

Ticker Symbol: TC

Number of Employees:

1980	4,026	1978	3,120
1979	3,850	1977	3,100

Sales and Earnings

	Revenues	Net Income +
1980	$ 165,994,000	$ 991,000
1979	148,189,000	5,358,000
1978	140,460,000	8,454,000
1977	119,272,000	6,285,000
1976	106,243,000	5,623,000

	No. of Com. Shares	Earn. per Share + #
1980	12,609,834	$0.08
1979	12,600,084	0.45
1978	10,808,712	0.78
1977	10,773,279	0.58
1976	10,637,739	0.53

# Based on the weighted average number of common shares and common share equivalents outstanding.

+ Including extraordinary credits of $238,000 ($0.02 per share) in 1979, $4,700,000 ($0.43 per share) in 1978, $3,030,000 ($0.28 per share) in 1977 and $2,498 ($0.24 per share) in 1976.

Revenues By Line of Business

	1980	1979
Computer products	$ 111,365,000	$ 95,248,000
Communications	54,629,000	54,307,000
Total	$ 165,994,000	$ 149,555,000

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 41,682,000	$3.31
1979	40,665,000	3.23
1978	22,742,000	2.10
1977	14,200,000	1.32
1976	7,756,000	0.73

Income Account *
(000's)

Year ended March 31	1980	1979
Revenues	$ 165,994	$ 148,189
Cost of revenues	116,767	100,925
Expenses	32,715	27,988
Prov. for loss on inventories	4,171	3,311
Interest expense	8,567	7,685
Other charges	1,864	1,402
Settlement of litigation	1,313	—
Income bef. taxes	$ 597	$ 6,878
Income taxes (credit)	(394)	1,758
Net Income	$ 991	$ 5,120
Extraord. credit	—	238
Net Income & extraord. credit	$ 991	$ 5,358

* Included in Cost and Expenses, Depreciation: $8,356,000 in 1980 and $7,520,000 in 1979.

Assets
(000's)

As of March 31	1980	1979
Cash	$ 1,555	$ 15,667
Accts. receiv., net	24,857	23,203
Notes receiv.	4,928	5,852
Investments in sales-types leases	1,029	1,483
* Inventories	60,643	48,943
Equipment leased or held for lease or sale	24,103	20,875
# Fixed assets	19,252	16,991
Other assets	2,481	3,294
Total Assets	$ 138,848	$ 136,308

Liabilities
(000's)

	1980	1979
Short-term bank loans	$ 3,700	$ —
Accts. payable	14,791	12,760
Accruals	7,707	6,711
Income taxes	825	694
Long-term debt	69,905	74,426
Deferred inc. taxes	238	1,052
+ Common stock	12,610	12,600
Add. paid-in capital	19,648	19,632
Retained earnings	9,424	8,433
Total Liabilities & Shareholders' Equity	$ 138,848	$ 136,308

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

	1980	1979
% Income before Taxes to Revenues	—	4.64
% Net Income to Revenues	0.60	3.46
% Net Income to Equity	2.38	12.59
Shareholders' Equity	$ 41,682,000	$ 40,665,000

Tempo Instruments & Controls Corp.

87 Modular Avenue
Commack, New York 11725
(516) 864-3700

Officers: George J. Sbordone, president; Matthew Cordova, v.p. & secretary; Merril Halpern, Henry Pinto, vice presidents; Alex Kozlowsky, v.p.-finance & treasurer.

Directors: Glenn H. Feit, Merril Halpern, George J. Sbordone.

Areas of Work: Engaged in the development, production and marketing of solid state, miniaturized electronic timers for the industrial and military markets.

Subsidiaries:

Tempo Instrument Incorporated
Produces a variety of solid state timing devices, D.C. regulators, telephone cable breakdown test sets, medical x-ray controls and power supplies.

Autronics Inc.
Engaged in the production of electronic devices.

Transfer Agent(s):

Chemical Bank
20 Pine Street
New York, New York 10015

Stock Exchange(s): Over-the-Counter

Number of Employees:

1980	270	1977	250
1979	270	1976	260
1978	300		

Plant Footage:

1980	56,000 sq.ft.	1978	86,000
1979	56,000	1977	65,000

Sales and Earnings

	Net Sales	Net Income
1980	$ 9,714,530	$ 513,665
1979	9,241,230	455,043
1978	9,455,607	496,136
1977	10,415,895	195,627
1976	7,728,390	153,450

	No. of Com. Shares	Earn. per Share ‡
1980	227,761	$2.33
1979	201,761	2.26
1978	202,861	2.42
1977	208,461	0.90
1976	221,561	0.69

‡ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 3,150,223	$13.83
1979	2,617,058	12.97
1978	2,168,565	10.69
1977	1,696,629	8.14
1976	1,545,002	6.97

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 9,714,530	$ 9,241,230
Costs of sales	6,552,178	6,817,273
Expenses	2,089,734	1,711,953
Other expense (income)	85,953	(17,329)
Gain on sale of subsid.	—	(462,482)
Income before taxes	$ 986,665	$ 1,191,815
Income taxes	473,000	730,000
Minority interest	—	6,772
Net Income	$ 513,665	$ 455,043

* Included in Costs and Expenses, Depreciation and Amortization: $103,095 in 1980 and $89,940 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 487,402	$ 574,633
Certificates of deposit	300,000	—
Accts. receiv., net	1,250,630	1,308,341
Note receivable	—	705,000
* Inventories	2,601,554	1,806,712
Prepaid expenses	103,431	47,914
Current Assets	$ 4,743,017	$ 4,442,600
# Fixed assets	608,637	546,748
Total Assets	$ 5,351,654	$ 4,989,348

Liabilities

	1980	1979
Notes payable & long-term debt, curr.	$ 524,459	$ 611,627
Accts. payable & accruals	1,132,416	1,126,101
Inc. taxes payable	219,100	420,500
Deferred inc. taxes	—	166,800
Curr. Liabilities	$ 1,875,975	$ 2,325,028
Long-term debt	285,540	—
Deferred inc. taxes	9,100	13,700
Cap. lease oblig.	30,816	33,562
+ Common stock	2,567	2,567
Add. paid-in capital	923,852	888,492
Retained earnings	2,439,507	1,925,842
Notes receivable	(110,500)	—
Treasury stock	(105,203)	(199,843)
Total Liabilities & Shareholders' Equity	$ 5,351,654	$ 4,989,348

* At lower of cost (average) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.16	12.90
%Net Income to Sales	5.29	4.92
%Net Income to Equity	16.31	17.39
Sales to Inventories	3.73	5.11
Working Capital	$ 2,867,042	$ 2,117,572
Current Ratio	2.53	1.91
Shareholders' Equity	$ 3,150,223	$ 2,617,058

Tenney Engineering, Inc.

1090 Springfield Road
Union, New Jersey 07083
(201) 686-7870

Officers: Saul S. Schiffman, chairman of the board; Robert S. Schiffman, president; Seymour B. Sternbach, exec. v.p.; Walter Gottesman, v.p. & secretary; Frank H. Gardner, Martin S. Schletter, B. Kenneth Sneden, v.p.'s; Frank C. Gosztyla, treasurer.

Directors: Saul S. Schiffman, Robert H. Brown, Walter Gottesman, Louis Maier, Robert S. Schiffman.

Areas of Work: Engineers and manufactures high technology environmental test equipment.

Transfer Agent(s):

National Bank of North America
New York, New York

Stock Exchange(s): American

Ticker Symbol: TNY

Number of Employees:

1980	220	1978	200
1979	210		

Plant Footage:

1980 . . . . . . 75,000 sq.ft.

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 13,095,118	$ 729,526
1979	10,667,069	589,771
1978	9,136,300	532,237
1977	7,474,729	465,584
1976	5,319,469	82,828

	No. of Com. Shares #	Earn. per Share # ‡
1980	1,252,736	$0.58
1979	1,252,736	0.47
1978	1,252,736	0.42
1977	1,252,736	0.37
1976	1,238,655	0.07

‡ Including extraordinary gains of $163,000 ($0.13 per share) in 1977 and $26,000($0.02 per share) in 1976.
# Based on the average number of common shares outstanding adjusted to reflect stock dividend and stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	5-for-4
1979	—	—	5-for-4
1978	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 3,304,187	$2.64
1979	2,578,940	2.06
1978	1,994,079	1.59
1977	1,464,387	1.17

‡ Based on the average number of common shares outstanding adjusted to reflect stock dividend and stock splits.

Income Account *

Year ended Dec. 31	1980	1979
Net sales	$ 13,095,118	$ 10,667,069
Cost of sales	9,135,550	7,426,771
Expenses	2,735,086	2,183,508
Other income	(108,744)	(35,981)
Income before taxes	$ 1,333,226	$ 1,092,771
Income taxes	603,700	503,000
Net Income	$ 729,526	$ 589,771

* Included in Costs and Expenses, Depreciation: $123,134 in 1980 and $107,990 in 1979.

Assets

As of Dec. 31	1980	1979
Cash	$ 1,080,754	$ 1,009,569
Accts. receiv., net	2,902,598	2,050,995
* Inventories	2,409,173	2,286,989
Income tax receiv.	49,511	—
Prepaid expense	143,984	126,974
Current Assets	$ 6,586,020	$ 5,474,527
# Fixed assets	734,698	671,529
Other assets	28,069	28,450
Total Assets	$ 7,348,787	$ 6,174,506

Liabilities

Long-term debt, curr.	$ 19,756	$ 18,062
Accts. payable & accruals	1,579,062	1,335,187
Accrued payroll	237,277	144,421
Advances	141,730	79,071
Income taxes	—	120,094
Curr. Liabilities	$ 1,977,825	$ 1,696,835
Long-term debt	1,729,375	1,749,131
Minority interest	22,000	22,000
Deferred inc. taxes	315,400	127,600
+ Common stock	125,274	100,253
Add. paid-in capital	1,726,336	1,726,336
Retained earnings	1,452,577	752,351
Total Liabilities & Shareholders' Equity	$ 7,348,787	$ 6,174,506

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.18	10.24
%Net Income to Sales	5.57	5.53
%Net Income to Equity	22.08	22.87
Sales to Inventories	5.44	4.66
Working Capital	$ 4,608,195	$ 3,777,692
Current Ratio	3.33	3.23
Shareholders' Equity	$ 3,304,187	$ 2,578,940

Teradyne, Inc.

183 Essex Street
Boston, Massachusetts 02111
(617) 482-2700

Officers: Alexander V. d'Arbeloff, chairman of the board & president; James A. Prestridge, Joseph B. Lassiter, III, G. Russell Ashdown, Avak Avakian, Dennis O'Connell, Wiliam L. Siddall, John Turner, Owen W. Robbins, George V. d'Arbeloff, Frederick T. Van Veen, vice presidents; Stuart M. Osattin, treasurer; John P. McCabe, controller; Richard J. Testa, clerk.

Directors: Alexander V. d'Arbeloff, Henry M. Watts, Jr., Franklin P. Johnson Jr., Daniel S. Gregory, Walter L. Lingle, Jr., Richard J. Testa.

Areas of Work: Engaged in the design and manufacture of automatic and computer-operated instruments for testing semiconductors, electronic components, assemblies, certain types of printed circuit boards and networks; computer-operated laser-trimming systems for manufacturing hybrid circuits and film resistors; wire-wrap connectors and wire-wrapping service; and other electronic items. Also produces telephone line test systems, film resistors and wire-wrap connectors.

Divisions:

Semiconductor Test Division
Woodland Hills, California

Industrial-Consumer Division
Boston, Massachusetts

Manufacturing Systems Division
183 Essex Street
Boston, Massachusetts 02111
(617) 482-2700

Subsidiaries:

Teradyne Components, Inc.
4 Pittsburgh Avenue
Nashua, New Hampshire 03060

Teradyne S.A.
11 bis. Rue Roquepine
Paris VIII, France

Teradyne Holdings Limited
England
  Teradyne Limited
  Mark Instruments Limited

Teradyne Benelux, Inc.
Teradyne Central, Inc.
Teradyne Digitest, Inc.
Teradyne Hong Kong, Ltd.
Teradyne International, Inc.
Teradyne Japan, Ltd.
Teradyne Canada Limited
Teradyne Italia S.r.l.
Teradyne GmbH
Teradyne S.A.
Teradyne K.K.
Teradyne Korea, Ltd.

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): American

Ticker Symbol: TER

Number of Employees:

1980	3,050	1977	1,573
1979	2,550	1976	1,387
1978	1,980		

Plant Footage:

1980*	1,024,000 sq.ft.	1977*	479,000
1979*	937,000	1976*	452,000
1978*	527,000		

* Includes owned and leased facilities and space rented to tenants.

Sales and Earnings

	Net Sales	Net Income
1980	$ 164,970,000	$ 11,370,000
1979	122,447,000	7,966,000
1978	91,663,000	6,704,000
1977	67,815,000	4,864,000
1976	53,731,000	2,299,000

	No. of Com. Shares	Earn. per Share ‡
1980	4,053,437	$2.75
1979	3,909,550	2.36
1978	3,248,643	2.03
1977	3,209,509	1.50
1976	3,175,637	0.71

‡ Based on the average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 83,392,000	$20.57
1979	68,205,000	17.45
1978	39,801,000	12.25
1977	32,079,000	9.99
1976	26,829,000	8.45

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 164,970	$ 122,447
Cost of sales	91,578	63,164
Expenses	50,797	40,734
Interest expense	3,776	4,367
Interest income	(131)	(43)
Income before taxes	$ 18,950	$ 14,225
Income taxes	7,580	6,259
Net Income	$ 11,370	$ 7,966

* Included in Costs and Expenses, Depreciation: $6,047,000 in 1980 and $4,204,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash	$ 1,136	$ 807
Accts. receiv., net	45,165	32,952
* Inventories	36,125	28,986
Prepaid expenses	1,587	2,001
Current Assets	$ 84,013	$ 64,746
# Fixed assets	58,075	39,438
Defer. charges & other assets	4,192	4,595
Total Assets	$ 146,280	$ 108,779

Libilities
(000's)

Notes payable	$ 9,599	$ 4,592
Mortg. note, curr.	112	98
Accts. payable	6,343	8,343
Accruals	4,924	2,675
Accrued payroll	2,303	1,148
Income taxes	4,789	2,784
Curr. Liabilities	$ 28,070	$ 19,640
Long-term note	17,800	5,805
Cap. lease oblig., curr.	2,979	2,938
Mortg. note	9,023	9,145
Defered inc. taxes	5,016	3,046
+ Common stock	513	495
Add. paid-in capital	37,600	33,801
Retained earnings	45,297	33,927
Reacquired stock	(18)	(18)
Total Liabilities & Shareholders' Equity	$ 146,280	$ 108,779

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.125 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.49	11.62
%Net Income to Sales	6.89	6.51
%Net Income to Equity	13.63	11.68
Sales to Inventories	4.57	4.22
Working Capital	$ 55,943,000	$ 45,106,000
Current Ratio	2.99	3.30
Shareholders' Equity	$ 83,392,000	$ 68,205,000

Terminal Data Corporation

21221 Oxnard Street
Woodland Hills, California 91367
(213) 887-4900

Officers: Michael Rothbart, chairman of the board & president; Herman W. Pass, sr. v.p.; Samuel L. Greene, v.p.-marketing; Paul Barnes, v.p.-finance & treasurer; Ronald L. Whitney, v.p.-product support; Henry L. Foster, v.p.-special projects; Denis P. Bean, v.p.-OEM Programs & Contracts; Juliet P. Imes, v.p.-personnel; Tom Patel, v.p.-engineering; John O'Brien, vp. & gen. mgr.; Sharon K. Franzen, secretary.

Directors: Michael Rothbart, chairman; Lachlan Foster, M.H. Jacobs, Paul G. McNamara, Milton McKay.

Areas of Work: Designs and manufactures computer controlled micrographics systems, microfilm cameras and controllers, and related products for use in on-line and off-line micrographics records management applications. Designs and manufactures film duplicating equipment.

Subsidiaries:

TDC Properties Corp.
21221 Oxnard Street
Woodland Hills, California 91367
(213) 887-4900

Rensco Manufacturing Inc.
951 Industrial Road
San Carlos, California 94077

Transfer Agent(s):

U.S. Stock Transfer Corporation
Los Angeles, California 90211

Ticker Symbol: TERM (NASDAQ)

Number of Employees:

1980	375	1977	250
1979	275	1976	180
1978	250		

Plant Footage:

1980	130,000 sq.ft.	1977	74,000
1979	74,000	1976	74,000
1978	74,000		

Sales and Earnings

	Net Sales	Net Income †
1980	$ 14,374,130	$ 503,488
1979	14,193,077	945,655
1978	9,335,781	568,516
1977	7,554,953	512,968
1976	6,114,983	604,758

	No. of Com. Shares ‡	Earn. Per Share ‡ †
1980	1,000,000	$0.50
1979	992,000	0.95
1978	969,000	0.59
1977	952,000	0.54
1976	950,000	0.64

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.
† Including extraordinary gains of $22,000 ($0.02 per share) in 1977, and $230,000 ($0.24 per share) in 1976.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	10%	—
1978	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 5,400,412†	$5.40
1979	4,164,620	4.20
1978	3,209,591	3.31
1977	2,606,288	2.74
1976	2,090,967	2.20

† After allowing for preferred stock at redemption value.
‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account

Year ended Sept. 30	1980	1979
Net sales	$ 14,374,130	$ 14,193,077
Cost of sales	10,791,550	10,301,366
Expenses	2,215,730	1,920,053
Oper. profit	$ 1,366,850	$ 1,971,658
Interest expense	500,927	316,668
Other income	(19,565)	(46,065)
Income before taxes	$ 885,488	$ 1,701,055
Income taxes	382,000	755,400
Net Income	$ 503,488	$ 945,655

Assets

As of Sept. 30	1980	1979
Cash	$ 155,543	$ 160,734
Receiv., net	3,537,690	2,265,259
* Inventories	5,654,121	3,838,564
Prepaid expenses	59,603	79,631
Current Assets	$ 9,406,957	$ 6,344,188
Notes receiv.	150,142	—
# Fixed assets	4,634,342	3,043,079
Other assets	371,633	56,707
Intangibles	643,876	55,353
Total Assets	$ 15,206,950	$ 9,499,327

Liabilities

Notes payable	$ 1,349,592	$ 800,000
Long-term debt, curr.	304,111	214,886
Accts. payable	1,784,958	1,176,403
Contract deposits	106,306	16,358
Accruals	343,779	405,439
Accrued payroll	403,106	263,765
Warranty costs	61,472	51,549
Inc. taxes payable	180,251	381,174
Other taxes	41,285	70,820
Curr. Liabilities	$ 4,574,860	$ 3,380,394
Long-term debt	4,788,478	1,845,823
Deferred income	—	7,690
Deferred inc. taxes	198,500	100,800
+ Preferred stock	244,700	—
+ + Common stock	1,097,475	965,272
Add. paid-in capital	3,394,251	2,794,150
Retained earnings	908,686	405,198
Total Liabilities & Shareholders' Equity	$ 15,206,950	$ 9,449,327

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $100 par value.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.16	11.99
%Net Income to Sales	3.50	6.66
%Net Income to Equity	8.92	22.71
Sales to Inventories	2.54	3.70
Working Capital	$ 4,832,097	$ 2,963,794
Current Ratio	2.06	1.88
Shareholders' Equity	$ 5,645,112	$ 4,164,620

Texas Instruments Incorporated

P.O. Box 225474
13500 North Central Expressway
Dallas, Texas 75265
(214) 238-2011

Officers: Mark Shepherd, Jr., chairman & chief executive officer; J. Fred Bucy, president & chief operating officer; James L. Fischer, A. McCord, executive v.p.'s; Stewart Garrell, sr. v.p. & principal financial officer; C.M. Chang, Grant A. Dove, sr. v.p.'s; William J. Roche, sr. v.p., secretary & general counsel; Liston M. Rice, Jr., Joseph D. Zimmerman, group v.p.'s; Donald W. Brooks, John Chandler, Jr., Charles M. Clough, Dale E. Cunningham, Doss D. Dunlop, William I. George, Robert J. Graebner, Rolf R. Haberecht, George H.

Texas Instruments Incorporated

Heilmeier, James M. Hubbard, Jerry R. Junkins, Ronald F. Keener, Bernard H. List, Dolan K. McDaniel, Howard Moss, Edward P. O'Neill, Ronald J. Ritchie, William N. Sick, Jr., H. Dean Toombs, William P. Weber, William E. Wetsel, Dietmar Wolff, vice pesidents; Marvin M. Lane, Jr., v.p. & treasurer; Robert C. Pearson, v.p. & controller; Willis A. Adcock, Anthony F. Amante, James W. Bagley, Pierre J. Clavier, Nick C. Davis, James M. Eckhart, John V. Gilhooly, George M. Graham, Jr., Philip R. Gray, Jr., John R. Hanne, Eric L. Jones, Eugene R. McFarland, Haller M. Moyers, Donald P. Mundell, Bruno Pagliuca, Eckhard Pfeiffer, Charles H. Phipps, Gerald R. Pierce, Hans J. Schuetze, Melvin Sharp, Thomas J. Snyder, Robert Stratton, Walter W. Thomsen, W. Joe Watson, John W. White, Robert W. Wilmont, Charles R. Wofford, Weldon R. Word, asst. v.p.'s; William A. Aylesworth, Richard K. Hulton, Edgar D. Miller III, asst. treasurers; Clara C. O'Donnell, asst. secretary.

Directors: Mark Shepherd, Jr., chairman of the board; J. Fred Bucy, Eugene G. Fubini, S.T. Harris, Edward R. Kane, Paul F. Lorenz, Paul W. McCracken, Frederick Seitz, Bryan F. Smith, C.J. Thomsen, James M. Voss, John M. Walker.

Areas of Work: Semiconductor materials, multilayer circuit boards, integrated circuits, small, medium, and large scale arrays (MOS and Bipolar); microprocessors & microcomputors, transistors, diodes, rectifiers; digital seismic equipment, semiconductor materials, radar systems, electro-optic systems, ordnance hardware, classified electronics equipment; business, consumer and scientific calculators; electronic learning aids, opto-electronic devices; electronic and electro-mechanical parts and assemblies, safety and control devices; clad metals; digital computers and computer systems, electronic data terminals and teletypewriters, strip chart recorders, precision pressure instrumentation.

Prduct & Service Categories

Materials and Electrical Products
Services
Semiconductor Products
Equipment
Digital Systems
Consumer Products

All at:

P.O. Box 225474
Dallas, Texas 75265

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Republic National Bank of Dallas
P.O. Box 2964
Dallas, Texas 75221

Stock Exchange(s): New York

Ticker Symbol: TXN

Number of Employees:

1980	89,875	1977	68,521
1979	85,779	1976	66,162
1978	78,571		

Plant Footage:

1980	19,800,000 sq.ft.	1977	12,200,000
1979	16,900,000	1976	11,000,000
1978	13,500,000		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1980	$ 4,074,700	$ 212,200
1979	3,224,126	172,891
1978	2,549,853	140,279
1977	2,046,456	116,638
1976	1,658,607	97,420

	No. of Com. Shares ‡	Earn. per Share ‡
1980	23,021,000	$9.22
1979	22,799,000	7.58
1978	22,794,000	6.15
1977	22,842,000	5.11
1976	22,933,219	4.25

‡ Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$2.00	—	—
1979	2.00	—	—
1978	1.76	—	—
1977	1.41	—	—
1976	1.08	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share ‡
1980	$ 1,164,500	$50.58
1979	952,900	41.80
1978	821,300	36.03
1977	723,900	31.69
1976	642,800	28.03

‡ Based on the average number of shares outstanding.

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 4,074,700	$ 3,224,126
Cost of sales	2,922,800	2,312,401
Expenses	636,700	515,652
Retirement & prof. sh. plan	96,500	76,728
Oper. profit	$ 418,700	$ 319,345
Other income	4,6000	8,909
Total	$ 423,300	$ 328,254
Interest expense	44,300	19,520
Income before taxes	$ 379,000	$ 308,734
Income taxes	166,800	135,843
Net Income	$ 212,200	$ 172,891

* Included in Costs and Expenses, Depreciation: $257,300 in 1980 and $187,244 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash & short-term invest.	$ 139,800	$ 116,636
Accts. receiv., net	629,800	547,978
* Inventories	442,700	340,251
Prepaid expenses	87,000	78,274
Current Assets	$ 1,299,300	$ 1,083,139
# Fixed assets	1,097,400	812,470
Other assets & defer. charges	17,000	12,566
Total Assets	$ 2,413,700	$ 1,908,175

Liabilities
(000's)

Loans payable	$ 170,400	$ 179,298
Long-term debt, curr.	400	1,753
Accts. payable & accruals	630,400	536,707
Accrued retire. & prof. sh. plan	66,500	52,920
Dividends payable	11,600	11,413
Income taxes	92,100	100,265
Curr. Liabilities	$ 971,400	$ 882,356
Long-term, debt	211,700	17,564
Deferred charges	12,700	17,112
Deferred credits & other liab.	53,400	38,259
+ Common stock	23,400	23,056
Add. paid-in capital	149,500	107,812
Retained earnings	1,008,800	842,712
Treasury stock	(17,200)	(20,696)
Total Liabilities & Shareholders' Equity	$ 2,413,700	$ 1,908,175

* At lower of cost, current replacement cost, or est. realizable value.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.30	9.58
%Net Income to Sales	5.21	5.36
%Net Income to Equity	18.22	18.14
Sales to Inventories	9.20	9.48
Working Capital	$ 327,900,000	$ 200,783,000
Current Ratio	1.34	1.23
Shareholders' Equity	$1,164,470,000	$ 952,884,000

Texscan Corporation

2446 North Shadeland Avenue
Indianapolis, Indiana 46219
(317) 357-8781

Officers: Carl N. Pehlke, chairman of the board & president; James A. Luksch, executive vice president & secretary; Norman L. Glew, v.p.-European Operations; Daniel F. Litterski, v.p. & operations mgr.; Edgardo Carballo, v.p. & operations mgr.; William P. Dawson, Berthold L. Henscheid, Robert J. Palle, v.p.'s; Steven R. McGill, controller & treasurer; J. Michael Frost, asst. secretary.

Directors: Carl N. Pehlke, chairman; James A. Luksch, Daniel F. Litterski, William E. Croysdale, Keith E. Hodgin.

Areas of Work: Designs, manufactures and markets a broad line of CATV distribution and testing equipment which is sold under the Theta-Com trademark, and CATV character generation equipment which is sold under the MSI trade name. CATV distribution equipment includes trunk amplifiers, line extenders, passives, power supplies and subscriber taps. CATV character generation equipment is used primarily in weather reporting, news and other textual displays. Also designs, manufactures and markets multipoint distribution system ("MDS") down converters under the Theta-Com trademark. The principal purchasers of the Company's products are operators of CATV systems. In addition, the Company designs and manufactures RF testing equipment, including spectrum analyzers, sweep signal generators, oscilloscopes, microwave filters, and coaxial components for laboratory, communications and insdustrial uses under the Texscan trademark.

Divisions and Subsidiaries:

Instruments & Components Division
2446 North Shadeland Avenue
Indianapolis, Indiana 46219
(317) 357-8781

Texscan MSI Corporation
3855 South 500 West
Suite S
Salt Lake City, Utah 84115

Theta-Com CATV Division
2960 Grand Avenue
Phoenix, Arizona 85061
(602) 252-5021

Texscan Export Division
1 Northbridge Road
Berkhamsted, Hertfordshire, England

Texcan GmbH
Peschelanger II
D-8000 Munchen 83
Munich, West Germany

Finco de Mexico
Nequiades Alanis n
Sray Juan De Dumarraga
San Lorenzo, CD
Juarez, Chihuahua, Mexico

Texscan Instruments Limited
One Northbridge Road
Berkhamsted, Hertfordshire
England, UK

Transfer Agent(s):

American National Bank & Trust Co. of Chicago
LaSalle at Washington
Chicago, Illinois 60690

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TEXS (NASDAQ)

Number of Employees:

1980	750	1977	240
1979	455	1976	175
1978	350		

Number of Stores:(at fiscal year end)

1980	123,000 sq. ft.	1977	70,000
1979	86,000	1976	22,000
1978	70,000		

Sales and Earnings

	Net Sales	Net Income ‡
1980	$ 16,095,910	$ 809,698
1979	10,797,855	324,574
1978	9,714,832	219,608
1977	7,879,848	157,874
1976	4,441,560	41,853

	No. of Com. Shares	Earn. per Share ‡ +
1980	1,070,932	$0.76
1979	975,999	0.33
1978	957,425	0.23
1977	922,269	0.17
1976	882,582	0.05

‡ Including extraodinary gains of $29,000 ($0.04 per share) in 1977, and $16,000 ($0.02 per share) in 1976.

+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 4,323,839	$4.04
1979	2,789,025	2.86
1978	2,337,550	2.44
1977	2,117,037	2.30
1976	1,883,150	2.13

† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend.

Income Account *

Year ended April 30	1980	1979
Net sales	$ 16,095,910	$ 10,797,855
Cost of sales	10,251,440	6,990,822
Expenses	4,594,772	3,288,459
Income before taxes	$ 1,249,698	$ 518,574
Income taxes	440,000	194,000
Net Income	$ 809,698	$ 324,574

* Included in Costs and Expenses, Depreciation and Amortization: $269,641 in 1980 and $158,246 in 1979.

Assets

As of April 30

Cash	$ 158,534	$ 103,317
Receiv., net	3,806,004	2,395,526
* Inventories	4,639,422	3,617,114
Prepaid expenses	254,601	184,831
Current Assets	$ 8,858,561	$ 6,300,788
# Fixed assets	818,758	548,116
Defer. charges	137,905	102,907
Intangibles	574,415	593,562
Total Assets	$ 10,389,639	$ 7,545,373
Liabilities		
Notes payable	$ 2,734,792	$ 1,794,304
Long-term debt, curr.	183,940	143,413
Accts. payable	1,936,948	1,414,708
Accruals	417,156	209,684
Accrued payroll	154,153	106,116
Inc. taxes	226,827	146,072
Taxes	231,512	147,544
Deferred inc. taxes	53,000	—
Curr. Liabilities	$ 5,938,328	$ 3,961,841
Subord. conv. debt	—	620,000
Long-term debt	57,790	148,507
Deferred inc. taxes	69,682	26,000
+ Common stock	3,408,175	2,170,862
Add. paid-in capital	286,813	177,708
Retained earnings	628,851	440,455
Total Liabilities & Shareholders' Equity	$ 10,389,639	$ 7,545,373

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	7.76	4.80
%Net Income to Sales	5.03	3.01
%Net Income to Equity	18.73	11.64
Sales to Inventories	3.47	2.99
Working Capital	$ 2,920,233	$ 2,338,947
Current Ratio	1.49	1.59
Shareholders' Equity	$ 4,323,839	$ 2,789,025

Textron Inc.

40 Westminster Street
Providence, Rhode Island 02903
(401) 421-2800

Officers: Robert P. Straetz, chairman of the board & chief executive officer; B.F. Dolan, president & chief operating officer; Robert S. Ames, exec. v.p.-aerospace; William J. Ledbetter, exec. v.p.-finance & administration; J. Joseph Kruse, sr. v.p.-admin.; John B. Henderson, sr. v.p.-Washington officer; Charles F. Chapin, Egil G. Ruud, Frank E. Grzelecki, George H. Hartmann, Edmund V. Marshall, group vice presidents; Edward O. Handy, Jr., v.p.-employee benefits; Thomas D. Soutter, v.p. & general counsel; Willard R. Gallagher, v.p.-intl.; Ronald A. VanBrocklyn, v.p. & controller; Maurice G. Wilkins, Jr., v.p. & treasurer; Rita Powers, secretary; Raymond W. Caine, Jr., v.p. corporate communications.

Directors: Richard T. Baker, Carlo Bombieri, Edwin J. Ducayet, Paul M. Fye, Robert P. Straets, Clarence H. Gifford, Jr., Webb C. Hayes III, R. Heath Larry, E. Clayton Gengras, Barbara Scott Preiskel, Jean Head Sisco, Howard R. Swearer, B.F. Dolan.

Areas of Work: Manufactures many products in the aerospace, consumer, industrial and metal products field. Also in fields of investment.

Divisions:

Aerospace Group

Bell Aerospace Textron
P.O. Box One
Buffalo, New York 14240
Rocket engines, communications and air cushion systems, aircraft landing systems, missile and spacecraft propulsion systems, rocket propellant tanks, inertial instruments, chemical lasers and coal gasification systems.

Dalmo Victor
1515 Industrial Way
Belmont, California 94402
Airborne electronic defense systems.

Bell Technical Operations
Systems engineering and test equipment.

Bell Helicopter Textron
P.O. Box 482
Fort Worth, Texas 76101
Military and commercial helicopters and vertical lift aircraft, systems integration.

Hydraulic Research
25200 West Rye Canyon Road
Valencia, California 91355
Hydraulic control systems, electro-hydraulic servovalves, fuel management systems, thruster valve and test equipment.

Industrial Group

Burkart Randall
700 Office Parkway
St. Louis, Missouri 63141
Polyurethane foam; automobile, truck and appliance trim and accessory parts, natural and synthetic fiber cushioning and insulating materials.

CWC Castings
Henry Street
Muskegon, Michigan 49441
Iron castings for engine blocks, camshafts, cylinder heads, gears, manifolds, housings, transmission cases and other ferrous casting applications.

Fafnir Bearing
P.O. Box 1325
37 Booth Street
New Britain, Connecticut 06050
Precision ball, roller and sliding bearings for industrial, aerospace and farm equipment fields.

Spencer Kellogg
P.O. Box 807
Buffalo, New York 14240
Chemical and oilseed products, raw materials for paint and coatings, adhesives, printing inks and related markets.

Sprague Meter
35 South Avenue
Bridgeport, Connecticut 06601
Gas meters and pressure regulators, pipe-line repair and service fittings for gas, water and industrial markets.

Basic Microelectronics Inc.
Manufactures hard surface mask substrates used to produce semiconductor devices.

Walker Parkersburg
P.O. Box 1828
Parkersburg, West Virginia 26101
Electrical raceway products systems, pre-engineered metal buildings.

Consumer Group

Homelite
14401 Carowinds Boulevard
P.O. Box 7047
Charlotte, North Carolina 28217
Chain saws, string trimmers, generators, pumps.

Gorham
333 Adelaide Avenue
Providence, Rhode Island 02907
Sterling silver, silver-plated, pewter and stainless steel flatware; and holloware, giftware, jewelry, bronze memorial, fine crystal and china.

Sheaffer Eaton
75 So. Church Street
Pittsfield, Massachusetts 01201
Writing instruments, desk sets, social stationery, personal record and appointment books, typewriter paper, correction fluid and tapes, report folders.

Jacobsen
1721 Packard Avenue
Racine, Wisconsin 53403
Lawn mowers, snow throwers, law and garden tractors; commercial turf maintenance equipment.

Shuron
P.O. Box 331
40 Humboldt Street
Rochester, New York 14601
Eyeglass frames, lenses.

Speidel
70 Ship Street
Providence, Rhode Island 02903
Wristwatch bands, identification bracelets, digital watches, jewelry, men's toiletries.

Textron Inc.

Valentine Sands
Melbourne, Australia

Greeting cards, games and toys, security and color printing, business forms, books and magazines, computer and phototypesetting services.

Willco
2000 Hamburg 62
Germany

Hearing aids.

Metal Products Group

Camcar
600 18th Avenue
Rockford, Illinois 61101

Cold headed metal parts, proprietary and special fasteners for aerospace, automotive, railroad, and appliance industries.

Townsend
P.O. Box 370
1015 Seventh Avenue
Beaver Falls, Pennsylvania 15010

Special fasteners and cold formed metal parts for aerospace, automotive, railroad, metal working, industrial construction industries, fastening systems; installation tools and automatic fastening machines saw chain and accessories.

Bostitch
South County Trail
East Greenwich, Rhode Island 02818

Staplers and staples, stapling hammers, pneumatic nailers, wire stitchers, desk-top card files.

Max Company Ltd. (50% owned)
Japan

Office, home and industrial staplers and staples, pneumatic nailers and staplers, drafting machines and tables, tackers and packaging tools.

Bridgeport Machines
500 Lindley Street
P.O. Box 32
Bridgeport, Connecticut 06601

Vertical and horizontal milling machines, grinders. Tru-Trace electronic and hydraulic machine tool control systems, numerical control systems, vertical machining centers.

Waterbury Farrel
Route # 10 & West Johnson Avenue
Cheshire, Connecticut 06410

Cold and hot heading machines, and presses, rolling mills, gear hobbing machines, precision surface grinders.

Creative Capital Group

American Research and Development
One Beacon Street
Boston, Massachusetts 02108

Investments in new and developing enterprises stressing advanced products and proprietary ideas, including environmental sciences, medical and health sciences, computer-related businesses and innovative advanced technological products.

Textron Financial Corporation
Textron Acceptance Corporation
1225 North County Road 18
P.O. Box 9354
Minneapolis, Minnesota 55427

Financing and leasing programs to Textron Divisions to facilitate sale of theirproducts.

Acquisition(s):

Basic Microelectronics Inc.

Manufactures hard surface mask substrates used to produce semiconductor devices.

Transfer Agent(s):

Rhode Island Hospital Trust National Bank
Providence, Rhode Island 02903

Stock Exchange(s): New York, Midwest, Pacific.

Ticker Symbol: TXT

Number of Employees:

1980	61,000	1977	64,000
1979	64,000	1976	64,000
1978	70,000		

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1980	$ 3,376,700	$ 86,100
1979	3,095,400	169,801
1978	2,932,400	168,075
1977	2,517,900	136,866
1976	2,362,400	121,056

	No.of Com. Shares#	Earn. per Share#
1980	37.474.000	$2.30
1979	37.651.000	4.51
1978	37,586.000	4.47
1977	37.511.000	3.65
1976	37.463.195	3.23

+ Of continuing operations only
# Based on weighted average number of shares outstanding.

Revenues By Line of Business

	1980 (000's)	%	1979 (000's)	%
Aerospace	$1,129,000	34	$934,000	30
Consumer	889,000	26	861,000	28
Industrial	602,000	18	599,000	19
Metal product	757,000	22	701,000	23
Total	$3.377,000	100%	3,095,000	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.80	—	—
1979	1.80	—	—
1978	1.60	—	—
1977	1.40	—	—
1976	1.175	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1980	$ 989,780,000	$29.71
1979	914,115,000	28.47
1978	736,274,000	25.34
1977	577,467,000	22.73
1976	492,198,000	20.34

‡After allowing for preferred stock at redemption values.

Income Account
(000's)

Year ended	1/3/81	12/29/79
Net sales	$ 3,376,700	$ 3,095,400
Cost of sales	2,507,900	2,295,300
Expenses	475,900	427,200
Depreciation	64,900	56,900
Interest income	(8,800)	(11,200
Interest expense	40,900	31,400
Income before taxes	$ 295,900	$ 295,800
Income taxes	126,500	130,700
Income-cost oper.	$ 169,400	$ 165,100
Income(loss)-discount ope	(83,300)	4.700
Net Income	$ 86,100	$ 169,800

Assets
(000's)

As of	1/3/81	12/29/79
Cash	$ 15,500	$ 22,952
Marketable securities	5,300	6,924
Accts.receiv.,net	532,100	538,387
Refundable taxes	30,700	24,950
*Inventories	888,800	867,063
Prepaid expenses	13,400	13,415
Assets of discount oper.	98,000	—
Current Assets	$ 1,583,800	$ 1,473,691
Investments	125,700	121,654
#Fixed assets	406,000	412,892
Other assets	27,500	32,808
Intangibles	44,400	38,110
Total Assets	$ 2,187,400	$ 2,079,155

Liabilities
(000's)

Short-term debt.curr.	$ 83,300	$ 64,052
Long-term debt.curr.	5,500	81,877
Accts. payable	250,700	176,446
Income taxes	72,700	42,755
Other liabilities	283,300	41,386
Curr. Liabilities	$ 695,500	$ 706,516
Long-term debt	301,600	222,864
Deferred invest.tax credits	18,100	16,874
Other liabilities	18,400	13,934
+ Preferred stock:		
$2.08 Cum.conv.	59,400	69,049
$1.40 Convertible	16,700	22,094
+ + Common stock	8,700	8,465
Add.paid-in capital	120,600	105,834
Retained earnings	983,000	947,542
Treasury stock	(34,600)	(34,017)
Total Liabilities & Shareholders' Equity	$ 2,187,400	$ 2,079,155

*At LIFO. The remainder at lower of cost (FIFO) or market.
#Less accumulated depreciation.
+ No par value.
+ + $0.25 par value.

Statistical Summary

%Net Income to Equity	7.46	15.17
Sales to Inventories	3.80	3.57
Working Capital	$ 888,300,000	$ 767,175,000
Current Ratio	2.28	2.09
Shareholders' Equity	$1,153,800,000	$1,118,967,000

Thermo Electron Corporation

101 Fifth Avenue
Waltham, Massachusetts 02154
(617) 890-8700

Officers: George N. Hatsopoulos, president & chief executive officer; Peter G. Pantazelos, exec. v.p.; Robert C. Howard, John A. McMann, sr. v.p.'s; John P. Appleton, v.p.-research & development; Walter J. Bornhorst, v.p.-strategic planning.; John N. Hatsopoulos, v.p.-communications & group executive; Thomas F. Widmer, v.p.-engineering; Paul F. Ferrari, treasurer; Alexander L. Keyes, secretary.

Directors: George N. Hatsopoulos, Robert A. McCabe, Alexander V. d'Arbeloff, Peter O. Crisp, Edward Teller, Frank Jungers, Roger W. Sant, Thomas I. Unterberg, Elias P. Gyftopoulos.

Areas of Work: Develops and manufactures paper making equipment, heat treating equipment, thermionic converters and related components, marine gasoline engines, air monitoring systems and pollution control systems, and special high temperature alloys; nuclear radiation detection instruments, analytical services, and dosimeters; develops heat recovery systems and biomedical systems; also provides metallurgical services.

Divisions and Subsidiaries:

Instruments Division

Environmental Intruments
108 South Street
Hopkinton, Massachusetts 01748

Analytical Instruments
101 First Avenue
Waltham, Massachusetts 02154

Eberline
Airport Road
P.O. Box 2108
Santa Fe, New Mexico 87501

Environmental Data
608 Fig Avenue
Monrovia, California 91016

Air Monitoring
2015 Bellaire Avenue
Royal Oak, Michigan 48067

Van Hengel Instruments B.V.
Heerbaan 220
Breda
The Netherlands

Van Hengel Instrumente GmbH
Baiertalerstrasse 24-26
6908 Wiesloch
West Germany

Energy and Power Systems Division

Research, development and manufacturing programs related to the conversion of energy and the generation of power.

R & D New Business Division
45 First Avenue
Waltham, Massachusetts 02154

Energy Systems
101 First Avenue
Waltham, Massachusetts 02154

Marine Engines
7100 East 15 Mile Road
Sterling Heights, Michigan 48077

Metal Processing Furnace Division

Designs, develops, manufactures and markets controlled atmosphere furnaces and associated equipment for industrial heat-treating processes.

Loftus
5 Gateway Center
Stanwix St. and Boulevard of the Allies
Pittsburgh, Pennsylvania 15222

Holcroft
12068 Market Street
Livonia, Michigan 48150
(313) 261-8410

Holcroft & Company (Canada) Ltd.
94 Bessemer Court
London, Ontario, Canada N6E 1K7

Papermaking Products Division

Designs, develops and manufactures equipment used on papermaking machines; develops new products which reduce pollution and the consumption of water and energy for the papermaking industry.

Lodding Engineering Corporation
Sword Street
P.O. Box 269
Auburn, Massachusetts 01501

AER Corporation
100 Hilltop Road
Ramsey, New Jersey 07446

Termo Electron, S.A. de C.V.
Lago Como Num, 128-A
Colonia Anahuac, Mexico 17, D.F.

Joseph Winterburn Ltd.
P.O. Box 6,
Riverside Works,
Woodhill Road
Bury, Lancashire, BL8 1DF England

Thermo Electron(Canada) Inc.
6875 Bombardier Street,
St. Leonard, P.Q., H1P 3A1 Canada

Lodding do Brasil, Ltda.
Rua Domingos Jorge No. 676
04761 Sao Paulo, Brazil

Overly
211 Jackson Street
P.O. Box 568
Neenah, Wisconsin 54956

Metals and Metallurgical Services Division

Provides heat-treating services, including hardening, annealing, stress relieving normalizing and tempering; fabricates specialized refractory metals and components for the nuclear, chemical, aerospace and electronics industries.

SCAT Division
2829 East Washington Boulevard
Los Angeles, California 90023

Metal Treating Division
1575 West Pierce Street
Milwaukee, Wisconsin 52304

Cal-Doran Division
2830 East Washington Boulevard
Los Angeles, California 90023

TEMS Divison
411 Jackson Hill Street
Houston, Texas 77007

Perfection Heat Treating Division
24200 Plymouth Road
Detroit, Michigan 48239

Metallurgical, Inc.
900 East Hennepin Avenue
Minneapolis, Minnesota 55414

Metals Division
115 Eames Street
Wilmington, Massachusetts 01887

Acquisition(s):

Air Monitoring, Inc. (January 31, 1980)
Detroit, Michigan

Maufactures computer-controlled systems that measure the concentration of environmental pollutants in vehicle exhaust emissions.

Transfer Agent(s):

First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): New York

Ticker Symbol: TMO

Number of Employees:

1980	2,600	1977	1,225
1979	2,300	1976	1,015
1978	1,633		

Plant Footage:

1980	1,048,000 sq.ft.	1977	676,000
1979	904,000	1976	620,000
1978	745,000		

Sales and Earnings

	Net Sales ‡	Net Income
1980	$ 163,806,000	$ 7,242,000
1979	117,517,000	5,016,000
1978	94,382,000	3,249,000
1977	56,256,000	1,938,000
1976*	47,755,000	969,000

	No. of Com. Shares +	Earn. per Share +
1980	3,858,877	$1.88
1979	3,125,397	1.60
1978	2,983,575	1.09
1977	2,956,749	0.66
1976	2,932,008	0.33

* 53 weeks.

‡ Includes other income.

+ Based on weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1980	1979
Engineered industrial prods.	$ 107,883	$ 83,272
Environmental and health instruments	30,999	15,160
Metallurgical services	24,924	19,085
Sponsored research	10,824	10,044
Total	$ 174,630	$ 127,561

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	—	—
1979	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share +
1980	$ 71,414,000	$18.51
1979	45,890,000	14.68
1978	34,725,000	11.64
1977	31,065,000	10.51
1976	28,967,000	9.88

+ Based on weighted average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended	6/28/80	6/30/79
Net sales & revenues	$ 174,630,000	$ 127,561,031
Cost of sales	127,724,000	89,876,253
Expenses	35,408,000	37,801,086
Other income	(1,799,000)	(899,856)
Interest expenses	2,002,000	1,483,773
Income before taxes	$ 11,295,000	$ 9,299,775
Income taxes	4,053,000	4,284,000
Net Income	$ 7,242,000	$ 5,015,775

* Included in Costs and Expenses, Depreciation and Amortization: $3,537,000 in 1980 and $2,406,595 in 1979.

Assets

As of	6/28/80	6/30/79
Cash	$ 115,000	$ 1,070,221
Short-term invest.	597,000	1,729,361
Accts. receiv., net	35,061,000	27,857,326
Unbilled contract & fees	13,289,000	10,229,963
* Inventories	21,194,000	17,495,887
Prepaid expenses	911,000	553,228
Current Assets	$ 71,167,000	$ 58,935,986
# Fixed assets	38,521,000	25,394,698
Other assets	1,208,000	939,527
Intangibles	12,713,000	12,195,288
Total Assets	$ 123,609,000	$ 97,465,499

Liabilities

Notes payables	$ 751,000	$ 3,979,913
Long-term debt, curr.	1,542,000	837,113
Accts. payable	11,820,000	11,028,933
Intangibles	3,575,000	4,190,706
Accruals & misc. taxes	9,968,000	8,902,801
Income taxes	7,282,000	7,403,059
Curr. Liabilities	$ 34,938,000	$ 36,342,525
Long-term debt.	14,577,000	13,038,540
Deferred inc. taxes	2,680,000	2,194,883
+ Common stock	4,291,000	3,491,724
Add. paid-in capital	42,378,000	24,906,930
Retained earnings	24,806,000	17,563,807
Prepaid compensation	(61,000)	(72,910)
Total Liabilities & Shareholders' Equity	$ 123,609,000	$ 97,465,499

* At lower of cost (FIFO) or market.

# Less accumulated depreciation and amortization.

+ $1 par value.

Statistical Summary

%Income bef. Taxes to Total Income	6.47	7.29
%Net Income to Total Income	4.15	3.93
%Net Income to Equity	10.14	10.93
Working Capital	$ 36,229,000	$ 22,593,461
Current Ratio	2.04	1.62
Shareholders' Equity	$ 71,414,000	$ 45,889,551

Thiokol Corporation

P.O. Box 1000
Newtown-Yardley Road
Newtown, Pennsylvania 18940
(215) 968-5911

Officers: Robert E. Davis, chairman of the board & president; James M. Stone, group v.p.-govt. systems; Ralph N. Thompson, group v.p.-chemical; Edward R. Kearney, v.p.-corp. relations & development; Antonio L. Savoca, v.p. & gen. mgr.-Wasatch Div.; John H. Goodloe, v.p. & gen. mgr.-Huntsville Div.; Albert P. Roeper, v.p.-finance & treasurer; Bruce Key, v.p.-legal & secretary; Frank J. Cunnane, v.p.-industrial relations; George J. Donovan, v.p.-corporate marketing; James R. Staley, asst. secretary; James H. McLean, asst. treasurer; Thomas F. McDevitt, controller.

Directors: James E. Hughes*, James K. Campbell*, Dennis C. Fill, Albert P. Roeper*, Ralph M. Barford*, Robert E. Davis*, Harry H. Wetzel, Barry J. Shillito, Tommy D. Greer.

*Member of the Executive Committee.

Divisions and Subsidiaries:

Chemical Group
Newtown, Pennsylvania 18940

Polysulfide liquid polymers; polysulfide rubbers; hydrocarbon liquid polymers; epoxy modifiers; low temperature plasticizers; ethoxylates; monomers for radiation-curing systems; chemical intermediates; disc brake pads, dry film polymers; liquid photo resists; electroless copper solutions; ultra-violet-curable screen inks, solder masks, marking inks; resist developers and strippers; plastic additives and circuit board cleaners.

Specialty Chemicals Division
Trenton, New Jersey 08687
Moss Point, Mississippi 39563

Friction Division
Trenton, New Jersey 08638

Thiokol Chemicals Limited
Chemical Division
Coventry, Warwickshire, England

Thiokol Canada Limited
St. Catharines, Ontario, Canada

Toray Thiokol Co. Ltd. (50% owned)
Tokyo, Japan

Dynachem Corporation
Tustin, California 92680

Thiokol Photochemicals Ltd.
Warrington, England

Thiokol France S.A.
Igny, France

Dynachem Deutschland GmbH
Frankfurt, West Germany

Thiokol Photochemicals N.V.
Wommelgen, Antwerp, Belgium

Ventron Division
Beverly, Massachusetts
Danvers, Massachusetts
Chicago, Illinois
Elma, Washington

Alfa Products
Danvers, Massachusetts 01923

Ventron GmbH
Karlsruhe, West Germany

Southwest Chemical Services Incorporated
Houston, Texas 70922

Southwest Plastic Europe, S.A.
Pepinster, Belgium

Pacer Lubricants, Inc.
Houston, Texas 77009

Extruder Screens Europe, Inc.
Nessonvaux, Belgium

George A. Williams & Son Division
Berkeley Heights, New Jersey 07922

Mettle Division
Houston, Texas

General Products Group
Newtown, Pennsylvania 18940

Trigger sprayers, foamers, owered foggers, custom-designed sprayers, plastic closures, plastic pouring fitments, Snap-Hinge dispensing closures.

The AFA Corporation
Miami Lake, Florida 33014
Toccoa, Georgia 30577

Thiokol S.A.
Zug, Switzerland

Thiokol-Polytek B.V.
Someren, Holland

Government Systems Group
Ogden, Utah 84409

Strategic, tactical, space and general purpose solid rocket motors; air-and ground-launched flares; conventional artillery munitions; special ordnance devices;job skills and paraprofessional training; job placement; gas generators; waste treatment systems; meteorological measuring devices; fly ash conditioning systems.

Elkton Division
Elkton, Maryland 21921

Huntsville Division
Huntsville, Alabama 35807

Utah Division
Ogden, Utah 84403

Longhorn Division
Marshall, Texas 75670

Wasatch Division
Brigham City, Utah 84302

Louisiana Division
Minden, Louisiana 71130

Transfer Agent(s):

Bradford Trust Company
One Executive Drive
Fort Lee, New Jersey 07024

Stock Exchange(s): New York

Ticker Symbol: THI

Number of Employees:

1980	10,475	1977	8,782
1979	10,406	1976	8,788
1978	10,797		

Plant Footage:

1980	8,987,597 sq. ft.	1977	9,565,907
1979	10,235,174	1976	9,742,607
1978	10,312,081		

Sales and Earnings

	Net Sales +	Net Income
1980	$ 622,657,000	$ 32,366,910
1979	533,252,000	40,086,276
1978	450,604,000	25,843,993
1977	332,837,000	21,452,515
1976*	260,713,000	20,105,897

	No. of Com. Shares #	Earn. per Share #
1980	11,574,000	$2.80
1979	11,537,000	3.47
1978	11,490,000	2.25
1977	11,468,000	1.87
1976	11,403,000	1.76

* 53 weeks.
+ Of continuing operations only.
# Based on the average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1980	1979
Government systems:		
Propulson	$ 272,893,000	$ 202,986,000
Ordnanace	64,740,000	70,113,000
Specialty Chemicals	285,024,000	260,153,000
Total	$ 622,657,000	$ 533,252,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1980	$0.94	—	2-for-1
1979	0.74	—	—
1978	0.64	—	—
1977	0.51	—	—
1976	0.40	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 226,493,629	$19.83
1979	204,492,048	17.93
1978	171,667,046	15.16
1977	152,859,402	13.53
1976	136,564,003	12.15

† Adjusted to reflect stock split.

Income Account *

Year ended	12/28/80	12/30/79
Net sales	$ 622,656,780	$ 533,252,272
Cost of sales	490,378,113	412,041,110
Expenses	61,760,933	50,916,528
Depreciation	17,076,893	14,251,109
Interest expense	2,096,130	2,312,626
Interest income	(6,480,077)	(6,416,356)
Other income	(433,087	(1,851,754)
Income before taxes	$ 58,257,875	$ 61,999,009
Income taxes	27,505,000	28,767,000
Inc. from cont. oper.	$ 30,752,875	$ 33,232,009
Inc. from discont. oper	1,614,035	6,854,267
Net Income	$ 32,366,910	$ 40,086,276

Assets

As of	12/28/80	12/30/79
Cash	$ 2,970,250	$ 6,574,958
Investments	33,553,998	95,200,628
Receiv., net	103,422,011	91,337,785
* Inventories	77,972,964	53,842,546
Prepaid expenses	5,454,445	5,173,864
Current Assets	$ 223,373,668	$ 252,129,781
Notes receiv. & other	6,987,601	9,040,033
# Fixed assets	169,570,081	124,392,082
Patents & intangibles	39,113,882	20,430,525
Total Assets	$ 439,045,232	$ 405,992,421

Liabilities

Notes payable	$ 332,943	$ 478,369
Long-term debt, curr.	1,960,789	8,081,002
Accts. payable	54,799,246	52,490,607
Accruals	36,152,356	32,224,437
Dividends payable	2,855,476	2,209,309
Income taxes	46,814,091	37,148,016
Curr. Liabilities	$ 142,914,901	$ 132,631,740
Long-term debt	7,633,236	6,527,443
Deferred inc. taxes	62,003,466	62,341,190
+ Common stock	12,035,126	6,017,563
Add. paid-in capital	39,036,155	44,766,481
Retained earnings	179,028,295	157,437,324
Treasury stock	(3,605,947)	(3,729,320)
Total Liabilities & Shareholders' Equity	$ 439,045,232	$ 405,992,421

* At lower of cost (average or FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Net Income to Equity	14.29	19.60
Sales to Inventories	7.99	9.90
Working Capital	$ 80,458,767	$ 119,498,041
Current Ratio	1.56	1.90
Shareholders' Equity	$ 226,493,629	$ 204,492,048

Thomas & Betts Corporation

920 Route 202
Raritan, New Jersey 08869
(201) 685-1600

Officers: J. David Parkinson, chairman of the board and chief executive officer; T. Kevin Dunnigan, president & chief operating officer; Robert V. Berry, v.p.-finance; Edward D. Thomas, v.p.-corp. development; James M. Hall, v.p.-accounting development; Robert E. Claude, v.p.-int'l; James D. Hay, v.p. & general counsel; Ronald P. Babcock, v.p. & controller; John F. Walsh, v.p.-human resources; David M. Hunihan, Edward J. Dixon, Jr., group v.p.'s; J.W. Kearny Hibbard, treasurer; Janice H. Way, secretary.

Directors: J. David Parkinson, chairman; Ian M. Ross, Nestor J. MacDonald, Edward D. Thomas, William R. Hartman, Louis Putze, Peter Cartmell, J. Wendell Crain, Robert V. Berry, Frederick Bartenstein, Jr., Hobart Betts, T. Kevin Dunnigan, Norma Maine Loeser.

Areas of Work: Engaged in the manufacture and marketing of connectors and accessory products for the electrical-electronic industry. Products include tools that cut, strip, and identify wires and conduits; connectors that splice or terminate wires; markers that label wires; wire fittigs; flat cables; flexible circuits.

Divisions and Subsidiaries:

T&B Electrical Group
920 Route 202
Raritan, New Jersey 08869
(201) 685-1600

Thomas & Betts France, S.A.
57, Place de la Seine
Silic 120
94513 Rungis Cedex
France

Thomas & Betts GmbH
6072 Dreieich
Siemenstrasse 11
West Germany

Thomas & Betts S.p.A.
Via Archimede
Angolo P. de Labriola
20092 Cinisello Balsamo (Mi)
Italy

Thomas & Betts International, Inc.
Sedgwick Road
Luton LU4 9DT
Bedfordshire, England

Thomas & Betts Limited
Thomas & Betts Maufacturing, Ltd.
P.O. Box 30
700 Thomas Boulevard
Iberville, Quebec J2X 2M9
Canada

Thomas & Betts Pty. Limited
11 Inman Road, Dee Why West
N.S.W.
P.O. Box 91
Brookvale 2100, N.S.W.
Australia

T&B/Ansley Corporation
3208 Humboldt Street
Los Angeles, California 90031

Thomas & Betts Japan K.K.
11-12 Fujimidai 4-chome
Kunitachi, Tokyo 186
Japan

Doylestown Manufacturing Corporation
Old Easton Road
Doylestown, Pennsylvania

Thomas & Betts Aktiebolag
Breddenvagen 31
19400 Upplands Vasby
Sweden

Thomas & Betts de Mexico, S.A. de CV
Alberto J. Pani 165
Cto. Economistas
Cd. Satellite
Edo de Mexico, Mexico

Thomas & Betts (S.A.) (Pty) Ltd.
P.O. Box 27169
31 Raebor Road
Benrose 2011
South Africa

Thomas & Betts Limited
Thomas & Betts Manufacturing Limited
England

Thomas & Betts (S.E. Asia) Pte. Ltd.
Unit 105, First Floor
Haingkie Industrial Complex
50 Genting Lane
Singapore 1334

T&B/Cablescan, Inc.
145 East Emerson Street
Orange, California 92665

Transfer Agent(s):

Chemical Bank
Corporate Trust Department
P.O. Box 25966,
Church Street Station
New York, New York 10249

Fidelity Union Bank
Stock Transfer Department
P.O. Box 1309
Newark, New Jersey 07101

First Interstate Bank of California
Stock Transfer Department
Box 54261,
Terminal Annex
Los Angeles, California 90054

Stock Exchange(s): New York, Pacific

Ticker Symbol: TNB

Number of Employees:

1980	3,000	1977	2,530
1979	3,000	2976	2,343
1978	2,750		

Plant Footage:

1980	1,728,000 sq. ft.	1977	1,300,000
1979	1,551,000	1976	1,300,000
1978	1,551,000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 254,000,000	$ 32,500,000
1979	226,400,000	30,016,000
1978	189,860,000	25,375,000
1977	157,573,000	20,765,000
1976	127,677,000	16,879,000

	No. of Com. Shares	Earn. per Share ‡
1980	7,712,086	$4.22
1979	7,687,586	3.91
1978	7,678,880	3.30
1977	7,691,247	2.70
1976	7,689,977	2.20

‡ Based on the weighted average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	$1.72	—	—
1979	1.52	—	—
1978	1.26	—	—
1977	1.00	—	—
1976	0.85	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1980	$ 159,748,000	$20.73
1979	139,834,000	18.19
1978	121,206,000	15.76
1977	106,043,000	13.79
1976	92,920,000	12.08

Income Account *
(000's)

Year ended Dec. 31	1980	1979
Net sales	$ 254,000	$ 226,440
Cost of sales	118,782	105,034
Expenses	65,158	57,167
Other income	(216)	(965)
Research & develop.	11,926	10,431
Income before taxes	$ 58,350	$ 54,773
Income taxes	25,850	24,757
Net Income	$ 32,500	$ 30,016

* Included in Costs and Expenses, Depreciation: $6,972,000 in 1980 and $5,869,000 in 1979.

Assets
(000's)

As of Dec. 31	1980	1979
Cash & invest.	$ 33,201	$ 21,480
Accts. receiv., net	34,154	32,400
* Inventories	74,522	69,791
Prepaid expenses	3,372	2,989
Current Assets	$ 145,249	$ 126,660
# Fixed assets	63,810	51,588
Defer. charges & other assets	1,112	1,084
Total Assets	$ 210,171	$ 179,332

Liabilities
(000's)

Notes payable	$ 13,713	$ 9,683
Long-term debt, curr.	152	145
Accts. payable	8,497	7,788
Accruals	7,888	6,755
Dividends payable	3,320	2,921
Income taxes	9,502	6,595
Curr. Liabilities	$ 43,072	$ 33,887
Long-term debt	2,901	1,848
Deferred inc. taxes	4,450	3,763
+ Common stock	3,893	3,872
Add. paid-in capital	13,579	11,939
Retained earnings	144,605	125,369
Treasury stock	(2,329)	(1,346)
Total Liabilities & Shareholers' Equity	$ 210,171	$ 179,332

* At lower of standard cost or market, and at lower of appropriate year's standard cost or current market.
# Less accumulated depreciation
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	22.97	24.19
%Net Income to Sales	12.80	13.26
%Net Income to Equity	20.34	21.47
Sales to Inventories	3.41	3.24
Working Capital	$ 102,177,000	$ 92,773,000
Current Ratio	3.37	3.74
Shareholders' Equity	$ 159,748,000	$ 139,834,000

TII Industries, Inc.

1375 Akron Street
Copiague, New York 11726
(516) 789-5000

Officers: Alfred J. Roach, chairman of the board; Timothy J. Roach, president; Gerald L. Fingerhut, v.p.-finance; Alfred P. Roach, v.p.-corp. planning; Frances Giambanco, v.p.-administration; Donald M. Worden, v.p.-marketing & sales; C. Bruce Barksdale, v.p.-product development; Jose Torres, controller-TII New York; John M. Cawley, v.p.-engineering, TII New York; Om Ahuja, v.p.-research & development, TII New York; James A. Glaser, v.p.,-corp. development, TII New York; John T. Hyland, Jr., v.p.-operations TII New York; Peter c. Fridman, v.p.-gen. mgr.-TII Puerto Rico; Miguel A. Rivera, plant operations mgr.-TII Puerto Rico; Efrain Nieves, controller-TII Puerto Rico; Dorothy Roach, secretary-treasurer; Dorothy conboy, asst. secretary.

Directors: Alfred J. Roach, chairman; Dorothy Roach, Joseph C. Hogan, C. Bruce Barksdale, Timothy J. Roach, James Grover, Jr.

Areas of Work: Produces overvoltage protective devices used on communication and other signal carrying lines servicing telephone equipment and other electronic devices. Also designs and makes systems for purifying water and treating waste water (sewage) under the brand name Sonozone.

Divisions:

Telecommunications Division
100 No. Strong Avenue
Lindenhurst, New York 11757

Ecology Division
100 No. Strong Avenue
Lindenhurst, New York 11757

Subsidiaries:

TII Export
Sonozone International
TII Engineering Ltd.
Telecommunications Industries, Inc.
Technology Transfer Ltd.
Trans Tech International Ltd.

all at:

100 No. Strong Avenue
Lindenhurst, New York 11757

Ecological Industries
Environmental Development Corp.

all at:

Road 165, Kilometer 1.6
Toa Alta, Puerto Rico 00758

Transfer Agent(s):

Chemical Bank
55 Water Street
New York, New York 10041

Stock Exchange(s): American

Ticker Symbol: TI

Number of Employees:

1980	522

Plant Footage:

1980	68,628 sq. ft.

Sales and Earnings

	Net Sales	Net Income †
1980	$ 15,194,000	$ 953,000
1979	14,105,000	778,000
1978	12,147,000	818,000
1977	8,844,000	895,000
1976	9,557,000	963,000

	No. of Com. Shares #	Earn. per Share # †
1980	982,970	$0.92
1979	967,970	0.80
1978	982,496	0.83
1977	1,027,859	0.87
1976	1,051,219	0.92

† Including extraordinary gain of $162,000 ($0.16 per share) in 1980.
# Based on weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 6,360,000	$6.47
1979	5,453,628	5.63
1978	4,675,425	4.76
1977	4,061,572	3.95
1976	3,125,969	2.97

† Based on weighted average number of shares outstanding.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 15,194,000	$ 14,105,465
Cost of sales	9,036,000	8,392,396
Expenses	4,212,000	3,740,961
Research & devel.	870,000	1,675,703
Other income	(63,000)	(8,261)
Interest expense	345,000	224,409
Royalty income	(43,000)	(584,300)
Income before taxes	$ 842,000	$ 664,557
Income taxes (credit)	51,000	(113,646)
Net Income	$ 791,000	$ 778,203
Extraord. gain	162,000	—
Net Income & Extraord. gain	$ 953,000	$ 778,203

* Included in Costs and Expenses, Depreciation and Amortization: $610,000 in 1980 and $494,906 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 674,000	$ 720,902
Accts. receiv., net	2,395,000	2,467,903
Other receivables	570,000	429,181
* Inventories	4,344,000	2,866,842
Prepaid expenses	204,000	183,593
Current Assets	$ 8,187,000	$ 6,668,421
# Fixed assets	3,718,000	2,834,809
Other assets	822,000	1,031,180
Total Assets	$ 12,727,000	$ 10,534,410

Liabilities

	1980	1979
Long-term debt, curr.	$ 159,000	$ 219,280
Accts. payable	1,874,000	1,203,422
Accruals & taxes	679,000	862,241
Curr. Liabilities	$ 2,712,000	$ 2,284,943
Long-term debt	3,655,000	2,795,839
+ Common stock	10,000	9,680
Add. paid-in capital	499,000	498,863
Retained earnings	5,851,000	4,945,085
Total Liabilities	$ 12,727,000	$ 10,534,410

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

	1980	1979
%Income bef. Taxes to Sales	5.54	4.71
%Net Income to Sales	5.21	5.52
%Net Income to Equity	12.44	14.27
Sales to Inventories	3.50	4.92
Working Capital	$ 5,475,000	$ 4,383,478
Current Ratio	3.02	2.92
Shareholders' Equity	$ 6,360,000	$ 5,453,628

Timeplex, Inc.

One Communications Plaza
Rochelle Park, New Jersey 07662
(201) 368-1112

Officers: Edward Botwinick, chairman of the board, president & chief executive officer; John Elich, v.p.-technical director; Robert Wright, v.p.-finance & treasurer; Victoria Brown, v.p.-sales; Erwin Sloan, v.p.-systems & gov't sales; Joseph Wechter, v.p.-operations; Bernard Furman, secretary & general counsel; John Collins, asst. v.p.-dir. of engineering; William J. Smith, asst. v.p.-dir. of commercial sales.

Directors: John Elich, Bernard Furman, Edward Botwinick, William E. Taylor, A Leon Fergenson, L. Hogan.

Areas of Work: Designs, manufactures, installs and services equipment and systems which reduce the cost of communications between computers and remote terminals linked by domestic, foreign and international telephone systems; principal products are multiplexers, modems, automatic dialers, test sets and concentrators.

Subsidiaries:

Timeplex International Inc. (DISC)
Timeplex International Communications Inc.

both at:
One Communications Plaza
Rochelle Park, New Jersey 07662

Timeplex Limited
London, England

Acquisition(s):

Cermetek, Inc.
Sunnyvale, California
Producer of thick-film hybrid integrated circuits.

Transfer Agent(s):

Chemical Bank
Corporate Trust Department
55 Water Street
New York, New York 10041

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TPLX (NASDAQ)

Number of Employees:

1980	440	1978	290
1979	334	1977	318

Plant Footage:

1980	65,000 sq.ft.	1978	40,000
1979	65,000	1977	40,000

Sales and Earnings

	Revenues	Net Income
1980	$ 17,927,634	$ 1,407,868
1979	12,743,832	1,007,274
1978	11,517,294	545,247
1977	8,019,802	308,635
1976	6,332,673	(429,587)

	No. of Com. Shares	Earn. Per. Share ‡
1980	1,985,122	$0.69
1979	1,951,271	0.50
1978	1,921,344	0.26
1977	1,962,193	0.16
1976	1,962,193	—

(Loss)
‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1980	—	5%	6-for-5 ‡

‡ Distributed Sept., 1980

Common Stock Equity

	Total Equity	Equity Per Share ‡
1980	$ 5,905,540	$2.97
1979	4,393,552	2.25
1978	3,259,971	1.70
1977	2,939,714	1.50
1976	2,631,079	1.34

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock split.

Income Account *

Year ended June 30	1980	1979
Net sales	$ 16,164,180	$ 11,414,211
Other revenues	1,763,454	1,329,621
Total revenues	$ 17,927,634	$ 12,743,832
Cost of sales	8,327,457	6,127,756
Expenses	6,980,407	4,686,806
Interest expense (income)	54,902	(17,954)
Income before taxes	$ 2,564,868	$ 1,947,224
Income taxes	1,157,000	940,000
Net Income	$ 1,407,868	$ 1,007,224

* Included in Costs and Expenses, Depreciation and Amortization: $477,933 in 1980 and $421,053 in 1979.

Assets

As of June 30	1980	1979
Cash	$ 309,928	$ 452,736
Accts. receiv., net	3,618,805	2,161,005
* Inventories	5,536,338	3,090,344
Prepaid expenses	149,564	66,745
Current Assets	$ 9,614,635	$ 5,770,830
# Fixed assets	4,121,719	1,306,210
Escrow investments	186,625	181,978
Other assets	71,003	68,913
Total Assets	$ 13,993,982	$ 7,327,931

Liabilities

Long-term debt, curr.	$ 367,877	$ 58,699
Accts. payable	2,301,670	750,971
Accruals	988,512	524,337
Income taxes	883,811	758,109
Curr. Liabilities	$ 4,541,870	$ 2,092,116
Installment notes payable	2,572,572	73,263
Deferred inc. taxes	974,000	769,000
+ Common stock	17,750	16,694
Add. paid-in capital	3,454,860	2,549,105
Retained earnings	2,912,480	2,223,353
Treasury stock	(270,000)	(270,000)
Notes from officers	(111,900)	(60,000)
Deferred comp.	(97,650)	(65,600)
Total Liabilities & Shareholders' Equity	$ 13,993,982	$ 7,327,931

* At lower of average cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Revenues	14.31	15.28
%Net Income to Revenues	7.85	7.90
%Net Income to Equity	23.84	22.93
Working Capital	$ 5,072,765	$ 3,678,714
Current Ratio	2.12	2.76
Shareholders' Equity	$ 5,905,540	$ 4,393,552

Tinsley Laboratories, Inc.

2448 Sixth Street
Berkeley, California 94710
(415) 843-6836

Officers: Harvey L. Morton, chairman of the board, president & chief executive officer; Robert J. Aronno, exec. v.p. chief operating officer & treasurer; Robert J. Johnson, v.p.-marketing & secretary; David L. Feathers, asst. treasurer.

Directors: Harvey L. Morton, chairman; Robert J. Aronno, Daniel J. Duckhom, David L. Feathers.

Areas of Work: Designs and manufactures precision optical components and systems; including aspheric lenses, metal mirrors, massive optical components, color television tooling products, and optical instruments.

Subsidiaries:

Tinsley International

Transfer Agent(s):

Wells Fargo Bank
San Francisco, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TNSL (NASDAQ)

Number of Employees:

1980	70	1977	55
1979	70	1976	55
1978	52		

Plant Footage:

1980	36.000 sq.ft.	1977	36.000
1979	36.000	1975	36.000
1978	36.000		

Sales and Earnings

	Net Sales	Net Income
1980	$ 5.107.825	$ 626.989
1979	2.957.498	383.254
1978	3.171.301	293.325
1977	3.289.174	255.754
1976	3.515.392	306.606

	No.of Com. Shares†	Earn per Share +
1980	556.320	$1.09
1979	537.630	0.68
1978	528.810	0.55
1977	539.520	0.47
1976	563.460	0.54

†Adjusted to reflect stock dividend.
+ Based on average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividends +	Stock Dividends	Stock Split
1980	$0.33	5%	—
1979	0.29	—	—
1978	0.24	—	—
1977	0.24	—	—
1976	0.24	—	—

+ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share †
1980	$ 2.463.184	$4.43
1979	1.986.549	3.70
1978	1.745.150	3.30
1977	1.605.976	2.98
1976	1.533.872	2.72

†Adjusted to reflect stock dividend.

Income Account *

Year ended	12/28/80	12/23/79
Net sales	$ 5,107,825	$ 2,957,498
Cost of sales	3,399,127	1,922,188
Expenses	693,475	513,401
Other income	(136,766)	(157,745)
Income before taxes	$ 1,151,989	$ 679,654
Income taxes	525,000	296,400
Net Income	$ 626,989	$ 383,254

*Included in Costs and Expenses, Depreciation and Amortization: $230.229 in 1980 and $186.311 in 1979.

Assets

As of	12/28/80	12/23/79
Cash	$ 150,990	$ 78,341
Cert.of deposit	280,000	650,000
Marketable securities	534,421	749,976
Accts. receiv., net	489,021	424,319
*Inventories	763,692	548,421
Prepaid expenses	63,670	57,783
Other assets	29,429	23,204
Current Assets	$ 2,311,223	$ 2,532,044
#Fixed assets	1,859,283	858,805
Other assets	57,032	49,722
Total Assets	$ 4,227,538	$ 3,440,571

Liabilities

Accts. payable	$ 231,326	$ 253,864
Accruals	307,918	230,815
Income taxes payable	252,162	137,751
Deferred inc.taxes	634,514	638,514
Customer billings	80,678	112,078
Notes payable	20,586	—
Curr. Liabilities	$ 1,527,184	$ 1,373,022
Deferred inc. taxes	77,000	81,000
Notes payable	160,170	—
+ Common stock	96,889	89,507
Add paid-in capital	1,410,892	973,978
Retained earnings	976,653	944,314
Notes receiv.	(21,250)	(21,250)
Total Liabilities & Shareholders' Equity	$ 4,227,538	$ 3,440,571

*At lower of cost or market.
#Less accumulated depreciation and amortization.
+ $0.16-2/3 stated value.

Statistical Summary

%Income bef. Taxes to Sales	22.55	22.98
%Net Income to Sales	12.28	12.96
%Net Income to Equity	25.45	19.29
Sales to Inventories	6.69	5.39
Working Capital	$ 784,039	$ 1,159,022
Current Ratio	1.51	1.84
Shareholders' Equity	$ 2,463,184	$ 1,986,549

TOCOM, Inc.

3301 Royalty Row
Irving, Texas 75062
(214) 438-7691

Mailing address:
P.O. Box 47066
Dallas, Texas 75247

Officers: John G. Campbell, chairman & chief executive officer; Michael R. Corboy, president & chief operating officer; James L. Smith, v.p.-CATV sales; Fred Burton, Jr., v.p.-operation; Gary R. Gilkerson, v.p.-finance & secretary-treasurer.

Directors: John G. Campbell, chairman; Michael R. Corboy, E.D. Condron, J.S. MacKay, E.E. Fitzgibbons, Fred Burton, Jr.

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